



State of the Agency: A 100-Day Review Report

**Iowa Department of
Administrative Services**
Mollie Anderson, Director

December 2007



Iowa Department of
Administrative Services

Director's Office

Chester J. Culver, Governor
Patty Judge, Lt. Governor

Mollie K. Anderson, Director

December 28, 2007

Governor Chet Culver and Lt. Governor Patty Judge
Office of the Governor
State Capitol
Des Moines, Iowa 50319

Dear Honorable Governor and Lt. Governor:

It is my pleasure to submit to you this "State of the Agency" report and summary of the 100-Day Review process undertaken this year by the Iowa Department of Administrative Services. This report is the culmination of 25 meetings I held with department directors and nine customer focus groups.

I believe you will find that our organization has grown and evolved tremendously over the last four years. We will continue to find ways to better serve state government and our citizens, and to be an effective partner in achieving results for Iowa.

Sincerely,

Mollie K. Anderson
Director

TABLE OF CONTENTS

I. History – About DAS	1
<i>The Creation of the Department of Administrative Services</i>	1
<i>Organization and Management</i>	1
<i>Resources</i>	2
II. What We Do	4
<i>General Services Enterprise</i>	4
<i>Human Resources Enterprise</i>	5
<i>Information Technology Enterprise</i>	6
<i>State Accounting Enterprise</i>	7
<i>Core/Finance</i>	9
III. The 100-Day Process	10
<i>The Purpose</i>	10
<i>The Process</i>	10
IV. Feedback from the 100-Day Review	11
<i>Executive Summary</i>	11
V. Next Steps – Emerging Issues & Action Items	16
<i>A. Future Workforce Needs</i>	16
<i>B. Rising cost of health insurance and workers' compensation</i>	17
<i>C. Better labor management</i>	18
<i>D. Management of state properties</i>	18
<i>E. Reduce energy consumption</i>	21
<i>F. Improve data security</i>	26
<i>G. Improve I/3</i>	27
<i>H. Better contract management</i>	30
<i>I. Save money</i>	31
<i>J. Improve customer satisfaction</i>	33
<i>K. Strategic Planning for the Future</i>	34
VI. Conclusion	35
Appendices	36

I. History – About DAS

The Department of Administrative Services is the newest agency in Iowa state government, created in 2003 by merging several departments.

The Creation of the Department of Administrative Services

Over 30 agencies in state government specialize in services to Iowans such as natural resources, public health, public safety, economic development, the arts, education, human services, revenue, transportation, veterans' services and more.

Until July of 2003, four different state departments provided essential internal administrative services to state agencies: General Services, Information Technology, Personnel, and the accounting division of Revenue & Finance.

In 2001, then Governor Vilsack and Lt. Governor Pederson initiated a review of executive branch agencies with the idea of combining these four agencies. They believed that any dollar not spent on administration could be better spent providing services that directly affect Iowans. The Governor and Lt. Governor decided to pursue legislation to consolidate these service departments, giving employees greater incentives to improve services, lower costs, and more flexibility to meet customers' needs – the needs of state departments providing critical services to Iowans.

There were four primary changes that the legislation produced:

1. Removal of many of the mandatory requirements that agencies use internal administrative services.
2. A change in the way that the agencies receive funding for services; an adjustment was made to transfer General Fund monies previously appropriated to DAS entities to the budgets of customer agencies. This was a one-time distribution of the appropriation. Those monies are now in the respective agencies' budgets. Agencies have control over how their funds are spent when purchasing products and services from DAS.
3. The creation of customer councils to guide the establishment of rates, and
4. Implementation of key business principles including accrual accounting, the development of business plans, competitive pricing, and customer satisfaction measures.

Thus, DAS was created by legislation on July 1, 2003.

Organization and Management

DAS provides services in the following business areas: general services, human resources, information technology, and state accounting. In addition to consolidation, DAS implemented a new business approach known as *entrepreneurial management* – a customer-focused approach to delivering services in a competitive marketplace. This change reflects a growing trend in both public and private sectors to focus on the customer – to know their business and provide the tools to deliver quality services. In turn, customer departments have more input about what services and products they buy

from DAS. Business decisions are motivated by the desire to meet customer needs and by rewards or consequences for financial performance.

All of the services provided by DAS have been placed into three categories: utility services, marketplace services and leadership services.

1. **Utility services** are those most efficiently provided through a centrally-managed resource in order to maximize efficiency and/or capture economies of scale – that is, where it makes economic sense to have a single supplier for all users (e.g., Capitol Complex space management). Customers are required to purchase utility services from DAS.

Funding: customers have a voice in setting these utility rates through customer councils, which were established for each DAS enterprise – similar to a board of directors. Utility services are funded by payments made by the agencies required to use the services.

2. **Marketplace services** are those which customers have a choice of vendors (inside or outside state government) such as human resource training, conference planning, labor/management facilitation, motor pool vehicles, repairs, printing, graphic design, and a variety of technology services including mainframe services, networking and e-government solutions.

Funding: marketplace services are discretionary services funded by payments made by the agency selecting to use the services.

3. **Leadership services** are those functions necessary to operate the department and include policy, finance/billing, and marketing/communications.

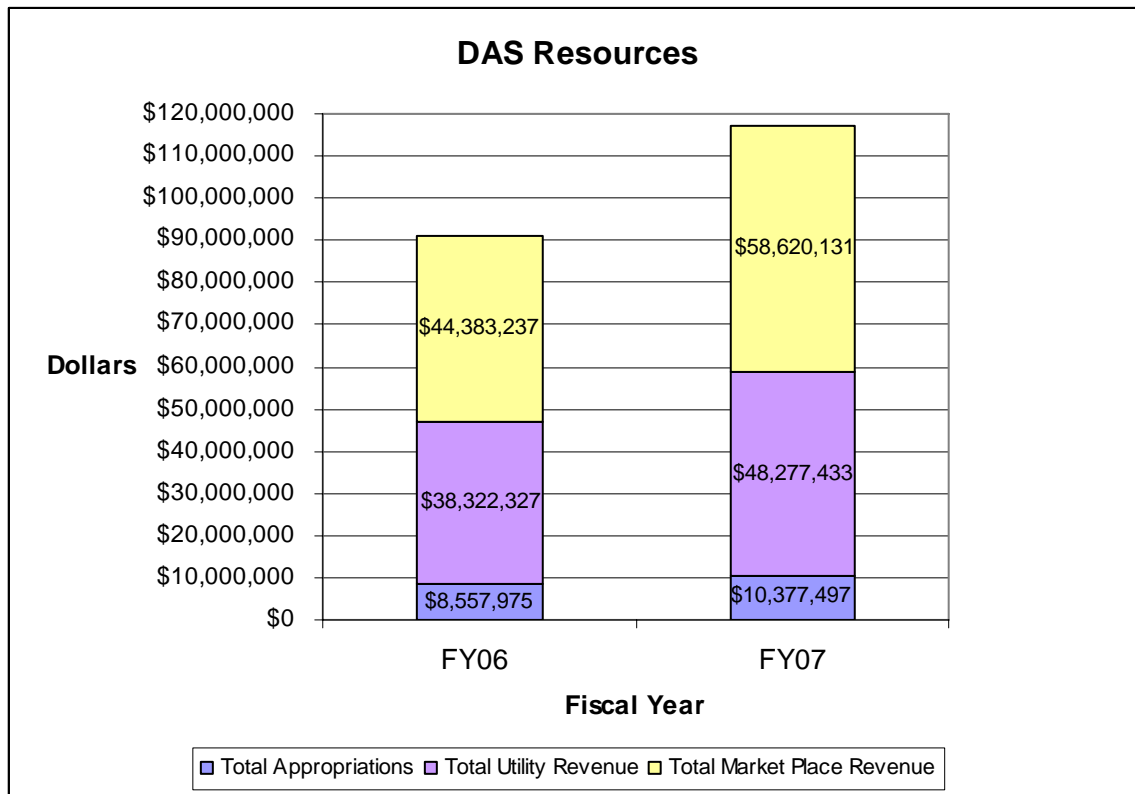
Funding: leadership services are funded by a General Fund appropriation.

Resources

The Department of Administrative Services has nearly 400 employees who, in fiscal year 2007, oversaw appropriations totaling \$10.38 million, revenues for utilities of \$48.28 million, and \$58.62 million in revenues from marketplace services. Combined, DAS is a \$117-million-per-year business.

(See figure on the next page.)

Figure 1 – DAS Resources



Notes on Figure 1:

- (1) Appropriation amounts are from I/3 report "*Appropriations Report - GF - DEPT*"
- (2) Total Utility Revenue is the total for services listed under "Utility" on eDAS and revenue figures from eDAS monthly revenue reports
- (3) Marketplace revenue equals the difference between the total revenue listed on eDAS monthly revenue report and the figure for utilities.

II. What We Do

The Department of Administrative Services is comprised of four enterprises – General Services (GSE), Human Resources (HRE), Information Technology (ITE) and State Accounting (SAE) – plus the Core/Finance team. Each area specializes in certain services for our customers.

General Services Enterprise

Ray Walton, Chief Operating Officer

The General Services Enterprise maintains all Capitol Complex buildings, grounds and monuments; manages the operation of the state fleet of vehicles; provides mail services to state agencies; provides statewide architectural and engineering project management services for construction projects; and manages the procurement function for most executive branch agencies. The General Services Enterprise is comprised of the following:

1. Capitol Complex Maintenance (*Tim Ryburn, Administrator*)
2. Architectural and Engineering Services (*Paul Carlson, Administrator*)
3. Fleet and Mail (*Dale Schroeder, Administrator*)
4. Procurement Services (*Debbie O’Leary, Administrator*)
5. Lease and Space Management (*Barbara Bendon, State Property Manager*)
6. Employee Safety Program (*Cynthia Houlson, Administrator*)
7. Vertical Infrastructure Program (*Dean Ibsen, Program Manager*)

Here are some quick facts about GSE:

General Services ...

- Manages 200 acres of land valued at \$17 million in and around the Capitol Complex and at the Iowa Laboratory Facility in Ankeny.
- Processes nearly 12 million pieces of mail annually, including 13,000 parcels.
- Manages more than 850 contracts for and on behalf of state agencies.
- Manages a fleet program that annually uses more than 2,800 vehicles to drive more than 52 million miles and consume 2.3 million gallons of gas.
- Purchases and assigns 600 new vehicles and auctions 600 used vehicles annually.
- Provides custodial services for 1.9 million square feet of office space daily.
- Was responsible for the 18-year exterior renovation of the Capitol, at a cost of over \$95 million.
- Provides heating, ventilation and air conditioning services for 14 buildings on the Capitol Complex and 5 lab buildings in Ankeny.
- Maintains over 60 air handlers, over 30 electrical transformers, hundreds of breakers and several thousand light fixtures.
- Replaces approximately 7,000 light bulbs annually.
- Replaces 8,600 air filters annually.
- Maintains a 24/7 operation during the heating season.
- Manages a comprehensive health and safety program for DAS employees and 15 Capitol Complex facilities.

- Develops employee safety web pages, incorporating 482 material safety data sheets for greater accessibility to DAS employees working on the Capitol Complex.
- Provides statewide architectural and engineering project management services for construction projects at facilities with a total of more than 11.5 million square feet of space and managed by 12 state agencies and divisions.
- Provides lease contract administration and space planning services for approximately 500,000 square feet of leased space in Polk County and contiguous counties.
- Provides space planning services to all Capitol Complex customers and assigns and certifies approximately 1.5 million square feet of space on the Capitol Complex and at the Ankeny Laboratory site.

Human Resources Enterprise

Nancy Berggren, Chief Operating Officer

The Human Resources Enterprise (HRE) continues to provide the same human resource (HR) services that it had been offering to state agencies as an independent department (Department of Personnel). However, as explained further, a major change in service delivery occurred in the change of funding streams from an appropriation to a fee-for-service basis.

HRE also increased its focus on customer service as a key to future success. The HRE Customer Council was formed in 2003. A major part of its initial activity was invested in familiarizing council members with the services offered by HRE, service delivery methods and setting up the rate structure.

HRE provides the full range of human resource services to Iowa state government. These include:

- classification,
- compensation,
- qualification of applicants for state jobs,
- selection assistance,
- Affirmative Action (Equal Employment Opportunity/Diversity Program),
- centralized staffing contracts,
- workforce planning,
- performance evaluation,
- workforce data gathering,
- reporting and analysis,
- labor relations,
- group insurance,
- leave administration,
- loss prevention and safety,
- workers' compensation and Return to Work,
- wellness,
- deferred compensation,
- benefits education,
- employee assistance program,

- training and development, and
- consultation with and advice to state agencies on human resource matters.

Here are some quick facts about HRE:

Human Resources ...

- Processes job applications (65,500 applications in FY 2007).
- Administers the health and dental plans for 27,000 active employees, as well as the health plans for approximately 10,000 retirees.
- Dedicated 1,700 staff hours to negotiate collective bargaining agreements in FY 2007.
- Assists with labor relations communication on appeals and grievances (700 in FY 2007).
- Processes workers' compensation claims for state employees.
- Administers the health and dental plans for 27,500 active employees, as well as the health plans for approximately 9,000 retirees.

Information Technology Enterprise

John Gillispie, Chief Operating Officer

The core function of the Information Technology Enterprise (ITE) is to provide high-quality, customer-focused information technology services and business solutions to government and to citizens. Pursuant to Iowa Code Section 8A.202(3), ITE is to:

- Coordinate the activities of the department in promoting, integrating, and supporting information technology in all business aspects of state government.
- Provide for server systems, including mainframe and other server operations, desktop support, and applications integration.
- Provide applications development, support, and training, and advice and assistance in developing and supporting business applications throughout state government.

Here are some quick facts about ITE:

Information Technology ...

- Supports over 300 websites and applications used by citizens to conduct business with state government on a daily basis, with 6.5 million page views per month. The applications hosted include diverse services such as the payment of property taxes; reservations of cabins and campgrounds in state parks; electronic access to state auditor's reports and missing persons reports; internet license renewals for teachers, physicians, accountants, architects, engineers, land surveyors, landscape architects, real estate brokers and agents, and real estate appraisers; and providing information on restaurant inspections, nursing home inspections, and registered sex offenders.
- Maintains more than 32,000 directory accounts supporting agency e-mail services for 21 state entities.

- Manages an anti-SPAM (i.e. unsolicited “junk” e-mail) electronic service which blocks over 90 percent of unwanted emails. On a daily volume of 2.5 million e-mail messages, only 110,000 are considered “legitimate.”
- Directly supports 1,000 desktop computer systems and over 530 BlackBerry handheld wireless devices.
- Monitors worldwide security information sources to identify potential security threats to government technology resources. The Information Security Office (ISO) sends approximately 75 detailed e-mail alerts annually to over 250 points of contact in state and local government to protect against service interruptions. The ISO also publishes approximately 140 information security newsletters annually for subscribers in government and the private sector that provide extensive information on an array of information security issues.
- Conducts annual risk assessments at 44 state agencies to identify potential information security vulnerabilities and determine where efforts should be focused to reduce threats.
- Co-sponsors and supports the enterprise-wide effort to automate the creation and maintenance of agency Continuity of Operations (COOP) and Continuity of Government (COG) planning.
- Operates the ITE mainframes, which process over 3 million online transactions each business day.
- Processes 8,000 state warrants each business day.
- Supports the Judicial Branch’s Iowa Court Information Systems electronic public access to online court applications.
- Processes 230,000 electronic payment transactions and 175,000 personnel background check verifications annually, and manages approximately 80 software development projects.
- Prints over 29 million pages annually to support the legislative session with calendars, clips and enrolled bills.

State Accounting Enterprise

Calvin McKelvogue, Chief Operating Officer

Stewardship in government means managing resources that have been entrusted by others so that the services returned maintain the well-being of citizens. SAE is committed to promoting the well-being of Iowans by providing efficient and effective services and resources to all state departments that serve our citizens. These services and resources, which revolve around both the collection and reporting of financial information and the processing of financial transactions, are critical elements needed by the executive, legislative, and judicial branches to sustain the quality of life that Iowans enjoy.

Here are some quick facts about SAE:

State Accounting ...

- Issues over 7.2 million warrants for state departments annually.

- Manages an annual \$1.28 billion payroll for over 20,000 employees.
- Processes 18 million accounting transactions per year.
- Manages the sick leave insurance program for 537 retired employees. (See *Figure 2.*)
- Collected \$17.2 million in funds owed the state by matching 61,200 payments to be made against delinquent accounts in FY 07. (See *Figure 3.*)
- Paid the federal government over \$115 million in employee income tax withholdings during FY 07.
- Compiles and prepares the state's Comprehensive Annual Financial Report, detailing the state's financial position in compliance with generally accepted accounting principles.

Figure 2 – SLIP Participants

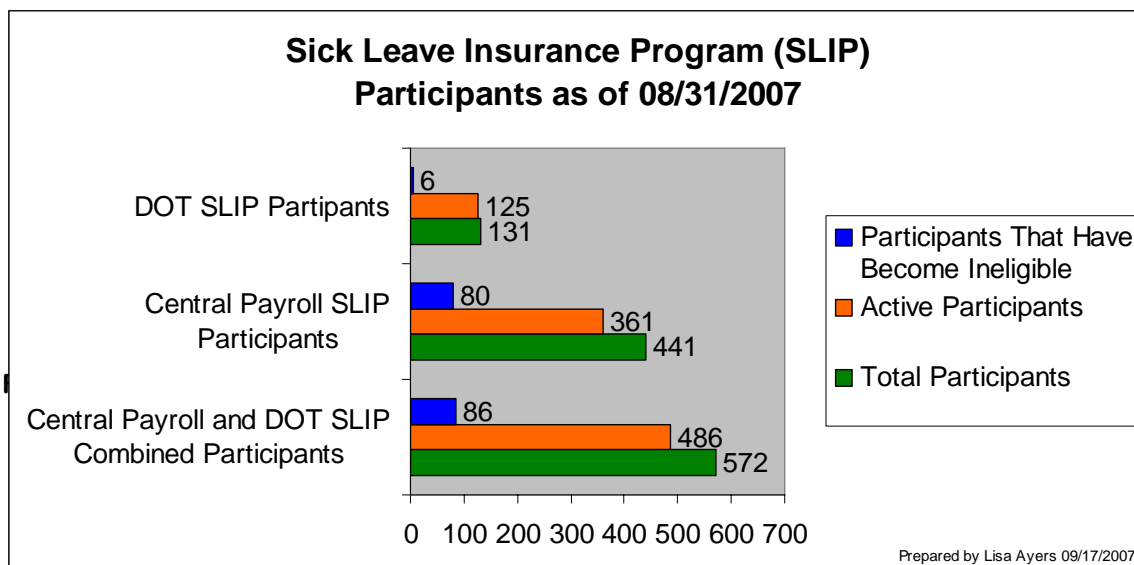
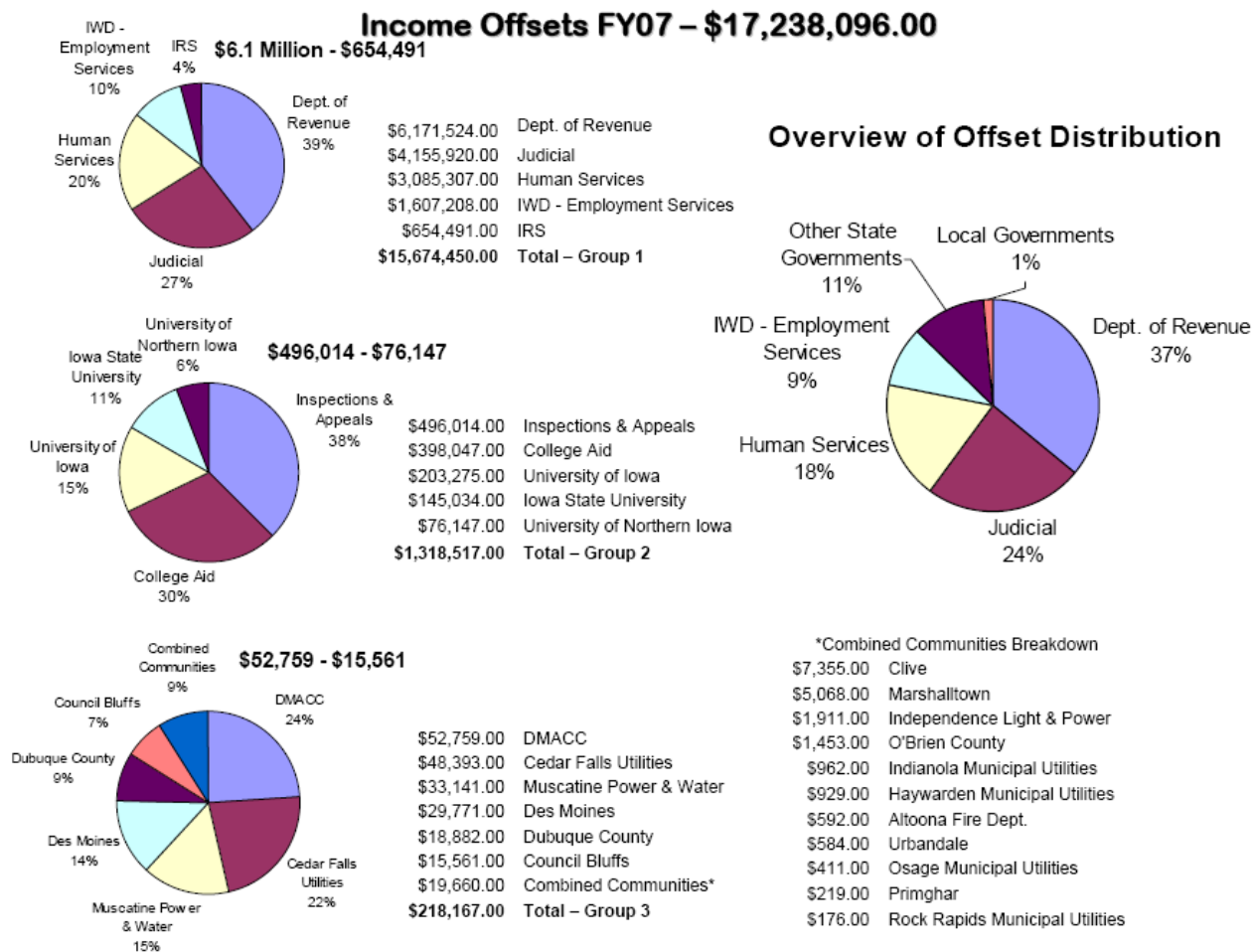


Figure 3 – Income Offsets in FY2007



Core/Finance

The DAS Core/Finance team consists of the Director's Office, marketing and communications, legal counsel, legislative liaison, and the finance staff. These employees are primarily responsible for internal DAS functions, but also handle responsibilities that affect our customers directly, such as eDAS and billing; newsletters, presentations and other communications; the DAS website; and consulting on legal and legislative matters that affect the department.

III. The 100-Day Process

The Purpose

The 100-Day review process is an educational opportunity to reach out and personally meet with the directors and other members of executive branch state agencies that DAS serves to review progress and educate audiences on how we can more effectively partner with them. Staying true to the entrepreneurial management approach, the 100-Day process seeks to discover exactly how DAS has performed from the customer's perspective. It is important for DAS to understand where its strengths have aided state agencies, as well as identify opportunities for improvement as we continue forward as government's partner in achieving results.

The Process

The 100-Day process began in late June 2007. Over a two-month period, separate meetings were held with 25 different agency directors and their direct reports. Nine focus groups were also conducted to gather information from the primary user groups of DAS services. The specific groups that met were: facility managers, financial managers, business managers, personnel representatives, purchasing managers and employees, fleet managers and employees, vertical infrastructure contacts, architectural and engineering contacts, and technology managers and employees. These meetings and focus groups were led by Director Mollie Anderson so that she could receive all feedback personally. The 100-Day meetings began with an overview of DAS' history and purpose. "Just the Facts" reports were provided to the agency directors providing general information, workforce data, leave and benefits information, and affirmative action data. Directors also received a list of DAS services their agency purchased over the most recent fiscal year. The meetings gave directors an opportunity to candidly ask questions and receive feedback about DAS products, services, staff and processes to give insight into opportunities for improvement as well as current strengths. The focus groups followed a similar format. Through these discussions, comments were collected anonymously in order to guarantee candor. Once information was captured, common themes were summarized and next steps developed, moving DAS toward improved service delivery.

IV. Feedback from the 100-Day Review

One of the main objectives of conducting the 100-Day Review was to gather honest, direct feedback from our customers. This information has been compiled for your information, as well as to aid the department in determining how to improve upon our objectives. Please note that this is a summary of the opinions and feedback received; it does not include supplemental information from DAS, for example on programs or changes already in place or underway to address some of these concerns.

Executive Summary

Entrepreneurial Model

DAS' entrepreneurial model is seen positively by all agencies and has been identified as something that should be fostered. The benefits identified include:

- Negotiation for best service and having economies of scale in purchasing.
- Initiatives begun by DAS are solutions-oriented.
- Redundancy or duplication of work is minimized so that agencies may concentrate on their directives.
- DAS is identified as being more customer-oriented because of the model.

Some agencies have indicated situations where DAS rules have pushed them into action rather than worked with them in collaboration. The result is systems and processes that are sometimes difficult to implement and follow at the agency level and therefore generate some frustration. But this has been indicated as the exception rather than the rule. Some of the challenges arise because of the relationship between DAS and DOM. DOM believes it should establish direction and DAS should provide the necessary administrative support.

The overall belief is that DAS should continue to work under the entrepreneurial model. Further education on how the model interacts with traditionally funded agencies as well as better marketing of available services could instill a sense of trust and knowledge as to how DAS can support an agency. It is also worth considering a deeper examination into utility services, offering some premium utilities a la carte alongside the main services so that agencies may really be strategic in terms of their needs.

Communication

The level of communication between DAS and other agencies is seen as needing improvement. This is in large part due to the various enterprises that constitute DAS. Some agencies see DAS as not listening to their specific needs. Other issues in communication relate to the amount of service available. While the quality is high, there is not enough people to support individual agency needs even though those available are terrific resources and very supportive. Also, advanced notification of change is not timely to the degree it could be to include customers in the process. Some particular departments, such as the Department for the Blind, would like to see this improvement as it increases the level of consideration in change, forcing such questions as "Is non-

visual access a factor?” Increasing communication can increase collaboration with our customers.

Customer Service

The level of customer service that DAS offers is recognized throughout the agencies. Each agency was able to name specific individuals whose work goes above and beyond providing necessary support. Many said the level of service has vastly improved since the inception of DAS and feel they have partners in each area due to the degree of responsiveness.

Some agencies feel the timeliness of service does not meet their needs. While the quality is exceptionally high, there is not enough staff to be everywhere at once. Areas such as space allocation and others are spread very thin. This forces DAS enterprises to prioritize their work in ways that may not meet the goals of the agencies they are servicing. Additional support staff would easily increase the quality of customer service.

Listening to Customers

In many cases agencies were able to identify DAS individuals who believe in their mission and who provide high-level service, however, these agencies were still able to identify cases where they don't feel DAS as a whole listens to their needs. The processes of various DAS enterprises are sometimes described as “one-size-fits-all.” For instance, the Department of Commerce sees the approach as too inflexible to meet their specific needs in hiring and classification. The Veterans' Home in Marshalltown was told to utilize strictly Home Depot or Lowe's for purchases, but those stores are not located anywhere in proximity. On that note, it was also indicated that purchasing agreements are not always beneficial to the agency, specifically in cases of software that can be found online for a lower price.

Customer Advocate

Customers are interested in having specific DAS employees who assist them with their needs in utilizing DAS services, communicating specific issues/needs with DAS and assisting them with conflict resolution. Increasing levels of communication and customer service is something that can be done by instituting a customer advocate role. A customer advocate works for agencies much in the same fashion as a personnel officer does for HRE, yet the customer advocate would function as an agency point-of-contact for all DAS enterprises.

Customer Council Consolidation

The Customer Council is another means of communication identified by several agencies as an opportunity to improve. The concept is seen as strong, yet the benefit is not quite there. Some of the customer council groups seem to only provide updates and ask questions rather than discuss with the customers what could be done to develop direction and strategy. Part of this burden may be due to the number of councils. Creating a streamlined version of the council with sub-committees as necessary could assist in fostering the necessary discussions.

Change Implementation

Where DAS should direct its increased focus on listening and strengthening communication is particularly important in change implementation. Several agencies identified changes instituted by DAS that were not communicated well but were instead thrust upon them without consideration. The areas most identified were the BrassRing application system and I/3. Many agencies discussed the difficulties behind implementing these systems.

Implementing a new system state-wide must be accomplished with a great deal of care. Poorly implemented change can affect such things as morale and productivity. The effect on the bottom line can override planned savings. Communication and involvement are the two key factors in any successful implementation. The plan must be outlined, but it must also include the input of those concerned. In the case of BrassRing and I/3, where concerns are still identified, it is worth working with user groups to identify changes and best practices that may be utilized as corrective measures as well as ascertain change practices for future projects.

BrassRing

Some groups have quickly adapted to BrassRing while others still see the system as cumbersome on the side of the hiring manager due to challenges in getting information. Some agencies feel that it is not strong enough in filtering candidates, leaving lists of applicants very large. Others have said that they wish BrassRing would not filter anyone so that the manager could determine eligibility. Others have also said that individuals who were qualified have been filtered by the system.

Most agencies feel the biggest challenges exist on the side of the applicant. The system times out too quickly, forcing a user to start over in the process. Also, due to font and other size changes, it is easy for applicants to miss crucial points in the system. Finally, messages indicate successful eligibility as a last step while some agencies may have additional requirements such as the mailing of a physical résumé. Through small changes as identified by those who use the system, BrassRing could become a more powerful tool.

I/3

The issues with I/3 vary between agencies. Some feel I/3 is improving while others announced that they are past the learning curve, though they feel there are big challenges for any new individuals that need to get up to speed. Many agencies still described I/3 as cumbersome, bulky and even unreliable, resulting in production losses and overtime when the system is not available during normal working hours as it should be. Another common theme was the funding for I/3. Several believe that it should be a leadership expense (funded by an appropriation to DAS) rather than a utility (billed to customer agencies) because they feel it carries a significant expense and places a large burden on the agencies.

New Employee Management

Recruitment and Hiring Process

Recruitment and hiring is a major concern. Iowa faces a worker shortage and it is increasingly difficult to compete with private industry. Because of the types of business many agencies are in, they need to be able to compete. Identified systems that get in the way include the current classification system and available benefits or perks.

In regard to the classification system, it is considered too slow. The process is not fast enough to gain access to top candidates when they become available. Several agencies identified the process as taking anywhere from four to six months, with DOC providing a case where an FTE was approved for over a year before the classification and PDQ was finalized. In order to address this situation, some sort of market differential should be considered as well as granting agencies more leniencies in any upfront work they may be able to provide toward classifications or reclassifications so they can find the talent needed.

Recruitment should be leveraged. Agencies would like to see a workforce plan that addresses the needs of people in order to get them to work for the State of Iowa. This is especially true in the case of younger workers that the state would like to attract. Studies that compare the previous employers and subsequent employers of young state workers would allow us to discover what benefits are being offered that are not being provided by the state, such as day care, wellness centers, and more. The state needs to be able to demonstrate it's a vibrant place with great opportunities as well as a work community.

Development

Development is commonly identified as a primary concern for younger employees entering the workforce. Opportunities that help prepare someone for the next stage of his or her career are beneficial to the employer as well. Currently some agencies are taking advantage of the programs offered through DAS Performance and Development Solutions (PDS) such as the Certified Public Manager's Program. This program develops leaders for greater capabilities. Agencies who utilize the program highly recommend it while committing more staff members each year.

The state should consider additional development opportunities as well as fully utilize its current opportunities through DAS-PDS to create its future leaders. Providing greater opportunities for tuition reimbursement or developing leadership programs for future leaders can really prepare the State of Iowa for the future.

Additional Themes

Fleet Process

The fleet area has been identified as having opportunities for numerous service improvements. The staff is professional and provides great service. Some consistent issues revolve around the reservation and dispatch system, which were both identified as needing improvement. Vehicle billings are received too far out past the end of the month, which impacts groups who must put together full financial statements each month. Also, the state fuel form is seen as outdated, requiring numerous codes that are easy to forget and locking users out of the system if too many mistakes are made.

Facilities

Many agencies would like to see more effort put into the Capitol Complex. With all that has been done to beautify it, there are a number of efforts that should be given in other places. Many agencies requested some sort of receptionist or security in each building. Signage should also be improved. Finally, there should be a fund for ongoing maintenance in order to address issues in a proactive way rather than waiting. Employees of the state take pride in their jobs, but they often can't say the same thing about where they work.

V. Next Steps – Emerging Issues & Action Items

Many – if not all – of the responsibilities and functions of DAS significantly impact other state agencies, the legislative and judicial branches, and the Governor’s office and administration. Some of those responsibilities are especially important at this time for our state, as we look to build a stronger, better Iowa. We would like to take some time to highlight those issues and proposed strategies for action:

- A. Future workforce needs
- B. Rising cost of health insurance and workers’ compensation
- C. Better labor management
- D. Management of state properties
- E. Reduce energy consumption
- F. Improve data security
- G. Improve I/3
- H. Better contract management
- I. Save money
- J. Improve customer satisfaction
- K. Strategic planning for the future

A. Future Workforce Needs

Ensure that we will meet the future workforce needs of departments by:

- Assisting each department with creating a succession plan.
- Increasing diversity of the workforce.
- Creating special reward, incentive and internship programs for hard-to-fill positions and in documented labor shortage areas.
- Modifying current classification systems to better address new and emerging jobs and the tight labor market.
- Developing plans to modify personnel procedures and office environments to attract new employees (Generations X and Y).
- Continuing to improve online recruiting and screening tools.

Assist each department with creating a succession plan

As our workforce continues to age (approximately 45 percent of our managers and supervisors will be eligible to retire in the next 10 years), and as the competition for talent becomes greater, departments must plan the jobs they will need to fill in the future and the skills necessary to carry out those jobs. DAS will continue to offer each year a workforce planning course and provide assistance to them in developing their plans as requested.

Increase diversity of the workforce

The state’s available workforce is 6.03 percent minorities, yet the executive branch’s minority employees are at 5.54 percent. While we have had a net increase of 118 minorities since the beginning of FY06, we have had a decrease

of 142 persons with disabilities over the same time period. In order to improve these numbers, DAS will work with the Governor's Office in implementing Executive Order Number 4.

Create special reward, incentive and internship programs for hard-to-fill positions and in documented labor shortage areas

Internships and reward and recognition programs may help in attracting and retaining talent. The state has in place internship programs and does have vehicles in place for reward and recognition, such as the Golden Dome awards and Exceptional Job Performance awards. Those programs will be expanded as departments identify the needs.

Modify current classification systems to better address new and emerging jobs and the tight labor market

The state has recently completed a Kaizen process to revamp the classification system as appropriate in order to stay current with the needs of departments.

Develop plans to modify personnel procedures and office environments to attract new employees (Generations X and Y)

Efforts to attract young employees will be included in the state's recruitment and retention plans. In addition, all benefit program initiatives will consider this demographic.

Improve online recruiting and screening tools

DAS will determine specific improvements that may be helpful. We have already begun this effort by surveying departments to determine where improvements could be made.

B. Rising cost of health insurance and workers' compensation

Continue to control increases in health insurance and workers' compensation costs by:

- Establishing a wellness program.
- Monitoring agency trends and return-to-work practices.

Establish a wellness program

- Employee health insurance is a very large cost for the state. In Plan Year 2008 it is estimated that the state will spend approximately \$300 million on health insurance premiums. There are numerous reasons for these high costs, both controllable and uncontrollable. While most of the controllable reasons are being addressed aggressively by DAS-HRE, one area that is not is overall employee health. During the 2003 Legislative session, PSG (state consultant) concluded that an incentive-based wellness program of some kind could help reduce some of the state's costs associated with providing health benefits.
- The state workforce is an older, less healthy population than what our insurance carriers are seeing in their overall book of business. However, the state workforce is also more stable, providing a great opportunity to realize long-term benefits from a wellness program. A properly defined wellness program with well conceived goals and measures, aligned with the benefits offered under our health insurance program could and should have an impact on the state's

insurance costs. The state's wellness program will be focused on long-term return on investment and designed to impact our health costs through education and incentive based programs supported by evidence-based research.

- A wellness program is only one aspect of a multi faceted approach to wellness and work life benefits that DAS-HRE would like to introduce. Funding is required for any additional wellness initiatives.
- Any implemented wellness program could address certain worker health issues we face and improve our workers' compensation program.

Monitor agency trends and return-to-work practices

- Continue to work on decreasing workers' compensation costs by monitoring agency trends and return-to-work practices. Overall the program's annual increases have been stable and very reasonable, averaging less than a 3 percent increase per year since FY 2004. However, more can be done. We will continue to work on decreasing workers' compensation costs by monitoring agency trends and return-to-work practices. We will also continue to use mediation as a way to reduce litigated claim costs. We are also putting in place a procedure that more quickly identifies medical-only claims that could potentially grow into more costly lost-time claims.

C. Better labor management

Continue to improve labor management practices by:

- Ensure proper training and support for managers and supervisors on the application of the CBAs. DAS will review all our formal courses to ensure that course contents are up-to-date. In addition, we will do specialty training such as the GRIP process (Grievance Procedure Improvement Process) for GRIP presenters. DAS is also publishing a monthly labor relations newsletter that focuses on important issues.
- Ongoing communication meetings with the AFSCME president and other union officials. DAS has regular meetings with the union and has a variety of labor/management meetings that help address issues in a timely fashion.
- Establish and maintain reliable databases to extract fiscal and historical information for use in collective bargaining negotiations and in regular reporting.

D. Management of State Properties

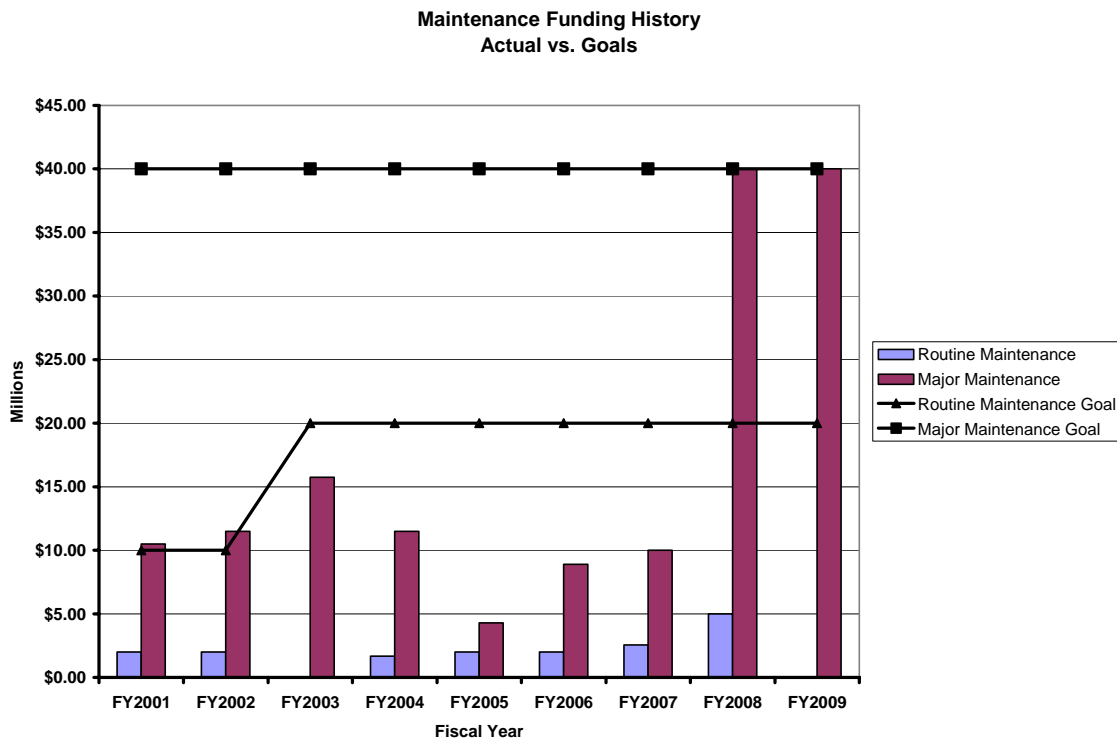
Continue to improve management of state properties and increase the Return On Investment (ROI) on state-owned assets by:

- Continuing to seek proper funding for routine and major maintenance funds.
- Establishing dedicated tenant funding for routine cosmetic upgrades.
- Updating the State Master Plan.
- Enhancing the capacity and competency of physical plant maintenance staff.
- Improving procedures for documenting facility modifications and contracts.
- Improving construction management procedures to ensure citizens get what they pay for in new construction projects.

Continue to seek proper funding for routine and major maintenance work (see Figure 4)

- a. Funding meets improvement needs for 12 state agencies and divisions and 21 percent of the state's infrastructure assets.
- b. 900 buildings and 11 million square feet of facilities have a deferred maintenance backlog estimated at \$460 million.
- c. Funding has continued to improve and multi-year funding appropriations (FY2006 through FY2009) allow for short and mid-range planning and cash flow management on multi-year repair projects.
- d. The Vertical Infrastructure Advisory Committee provides valuable support in the promotion of the need for continued and increased funding.

Figure 4 – Maintenance Funding History



Establish dedicated tenant funding for routine cosmetic repairs

- a. Current Association Fees, at \$3.10 per square foot, address custodial and operational services only.
- b. Statewide Routine Maintenance funding, at 43¢ per square foot, addresses only the most critical needs.
- c. General Services Customer Council can provide support in promoting the need for additional funding.

Update the State Master Plan

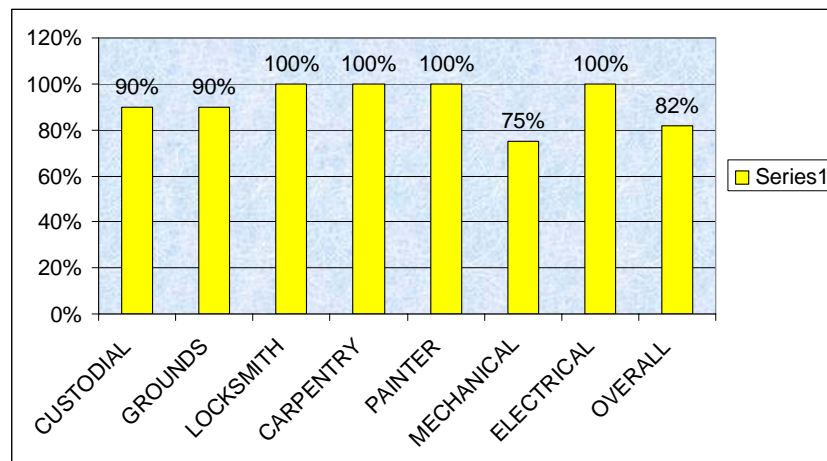
- a. Major Maintenance infrastructure funding is in place for an update of the 1999 Infrastructure and Assessment Survey, with a plan for work to begin in early 2008.
- b. The Department of Corrections and the Iowa Veterans Home are developing master plans for facility improvements.

- c. The Vertical Infrastructure Advisory Committee has encouraged the Department of Human Services to undertake a facilities master plan.
- d. The Department of Administrative Services, with support from the Capitol Planning Commission, has requested funding for an update to the Capitol Complex Master Plan, which was established in 2000.

Enhance the capacity and competency of physical plant maintenance staff

Based upon industry “best practice” standards, the chart below (Figure 5 – Maintenance Staff Skill Levels) reflects the current employee competency level of all maintenance staff caring for the state-owned facilities on the Capitol Complex and the Ankeny Labs. On an ongoing basis and using selected “best practice measures,” DAS identifies and provides appropriate training and education to its employees responsible for the care and upkeep of facilities. This chart reflects DAS’ effort in achieving these objectives.

Figure 5 – Maintenance Staff Skill Levels



Improve procedures for documenting facility modifications and contracts

- a. Improvements to the tracking system for sign-offs on contracts, delivery orders, and purchase order approvals is being developed within Architectural and Engineering Services.
- b. Funding is available to scan and electronically catalog historical plans and specifications that are maintained by Architectural and Engineering Services.

Improve construction management procedures to ensure citizens get what they pay for in new construction projects

A series of planning teams are being formed to monitor the design and construction of two new state office buildings for the Capitol Complex.

Architectural and Engineering Services is reviewing ways of improving project tracking, contract payments, and Accountable Government Act compliance. Various concepts are being considered.

E. Reduce energy consumption

Reduce energy consumption in state-owned facilities and IT infrastructure by:

- Using Leadership in Energy and Environmental Design (LEED) construction principles
- Adopting energy efficient facility operating procedures
- Increasing environmentally friendly purchasing practices
- Incorporating “green IT” practices

Using Leadership in Energy and Environmental Design (LEED) construction principles

- LEED is the recognized standard for measuring building sustainability. Achieving LEED certification is the best way to demonstrate that a building project is truly “green.” LEED certification focuses on site sustainability, water use efficiency, energy and atmosphere, building materials and resources, and indoor environmental quality. The LEED rating system offers four certification levels for new construction: Certified, Silver, Gold, and Platinum. DAS will maximize opportunities to incorporate LEED principles into new building and major maintenance construction projects, both on the Capitol Complex and statewide.
- New buildings designed for easy operations and management can realize cost savings of up to 10 percent compared to conventional properties. Operational costs of a LEED-EB (Existing Building) building are significantly lower due to increased water and energy efficiency as well as improved indoor comfort levels that improve employee attendance and productivity. Much of the savings is attributable to the relatively well known energy efficiency improvements to major building systems such as high efficiency HVAC and lighting systems as well as a variable speed drive connected to the chiller. Effective operations and management techniques, coupled with non-toxic cleaning methods are healthier both for the building occupants, as well as the maintenance workers themselves.

Adopting energy efficient facility operating procedures

- DAS currently employs facility automation software to control a broad base of facility equipment to ensure the best life cycle cost of equipment and to keep energy operating costs at a minimum. In general, most building lighting is automated such that it is terminated between 5 – 6 p.m. and turned on at 7 a.m. during work days. On weekends and holidays, lighting is programmed to be off. Building temperature control is also automated (68 degrees in the winter and 78 degrees in the summer). DAS continually identifies and evaluates opportunities to expand the utilization of automation to improve operational efficiency and reduce utility costs.
- MidAmerican Energy offers a free service (One-2-Five Energy) to “large use” customers. The service assesses the current state of internal systems and procedures for managing energy (electricity/gas) and water costs and risks across an organization, benchmarked against similar organizations. The diagnostic tools utilized to perform the assessment provide valuable information to identify and track opportunities to improve energy and water management. An assessment was recently completed for the Capitol Complex and yielded very valuable information. DAS will

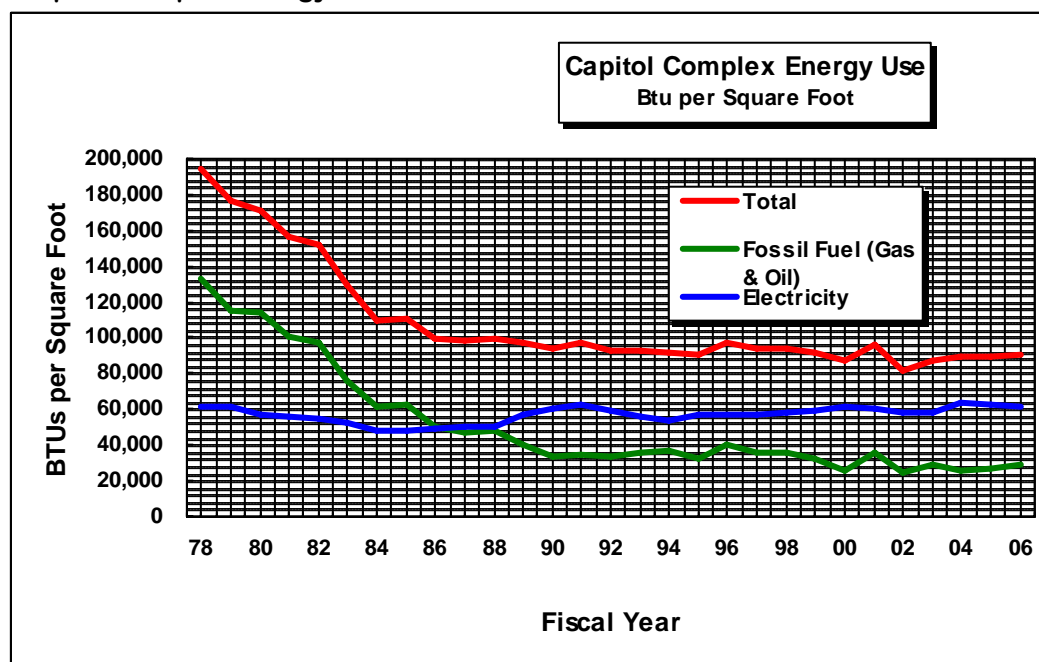
emphasize the use of this service as well as similar services provided by other utility providers to its customers at various institutional (DHS, DOC, IVH) locations throughout the state.

- The Capitol Complex, through DAS, currently participates in MidAmerican Energy's "curtailment" program. It is a program designed for large commercial or industrial customers that offers rebates for reducing electricity usage during peak demand periods. On the Capitol Complex, this is accomplished by using auxiliary on-site electrical generation. Over the past 2.5 years, DAS has received \$451,365 in rebates. These funds have been utilized to purchase additional electrical generating equipment. DAS will promote the use of these types of programs to its customers throughout the state.

Additional Possible Action Items:

- Favor bio-based, environmentally preferable, energy-efficient, water-efficient, and recycled-content products in all purchasing by purchasing products and services with the EcoLogo certification.
- Establish targets for reducing the energy consumption of facilities. For example, the federal government has targeted a 30 percent reduction in building energy consumption by 2015 over a 2003 baseline.
- Reduce water consumption.
- Evaluate the steps (and associated costs) necessary to achieve LEED-EB (Existing Building) and LEED Campus certifications.
- Explore the use of Energy Savings Performance Contracts. Energy Service company's provide funding to energy savings projects and then are reimbursed through guaranteed savings on their energy bill. It appears that Energy Service Companies generally do not include data center efficiency projects although there are no legal barriers to doing so.

Figure 6 – Capitol Complex Energy Use



Increasing environmentally friendly purchasing practices

The State of Iowa can take advantage of standards like the Electronic Product Environmental Assessment Tool (EPEAT). This is a system in which manufacturers declare their products' conformance to a comprehensive set of environmental criteria in 8 environmental performance categories. The EPEAT system rates equipment according to environmental criteria in both the manufacturing process and recycling potential at end of life. The products currently purchased from the Western States Contracting Alliance contracts are all EPEAT certified.

The EcoLogo Program compares products and services within designated categories, develops rigorous and scientifically relevant criteria, and awards the EcoLogo to those that are environmentally preferable throughout their entire useful product lifetime. There are currently over 7,000 EcoLogo products available from hundreds of manufacturers.

EcoLogo product categories include:

- Automotive Related Products & Services
- Building & Construction Products
- Cleaning & Janitorial Products
- Consumer Products
- Containers, Packaging, Bags & Sacks
- Electricity Products
- Events
- Fuels, Lubricants & Related Products
- Marine Products
- Office Furniture, Equipment & Business Products
- Printing Products & Services
- Pulp & Paper Products
- Services

DAS Procurement Services has hired a "green buyer" to support agency purchasing staff decisions in weighing environmentally friendly choices. In addition, there are a number of contracts available that include environmentally friendly products.

- **Carpeting** - through cooperative efforts with the Iowa DNR and Economic Development Recycle Iowa Office, a flooring contract is available that provides newly manufactured carpeting that has recycled content, refurbished carpeting, and a method for recycling the old carpeting that is being replaced.
- **Paper** – office papers that we have on contract follow the federal percentages for recycled content (now 30 percent). Sanitary papers such as paper towels, tissue, and toilet paper also follow the federal guidelines for recycled content.
- **Plastic bags and office supplies** – contain recycled content and are reported to the Legislature annually.
- **Computers** – standard computers have EPEAT (Electronic Product Environmental Assessment Tool) certification.
- **Lighting** – DAS lighting contracts include fluorescent lighting that contains lower levels of mercury, a persistent bio-accumulative toxin, and spent tubes are recycled.
- **Vehicles** - Selecting the lowest life cycle cost vehicles available (which takes into account fuel efficiency) reduces green house gases and other tailpipe pollutants. We also have hybrid gas/electric vehicles and emphasize alternative fuel vehicles in our fleet.

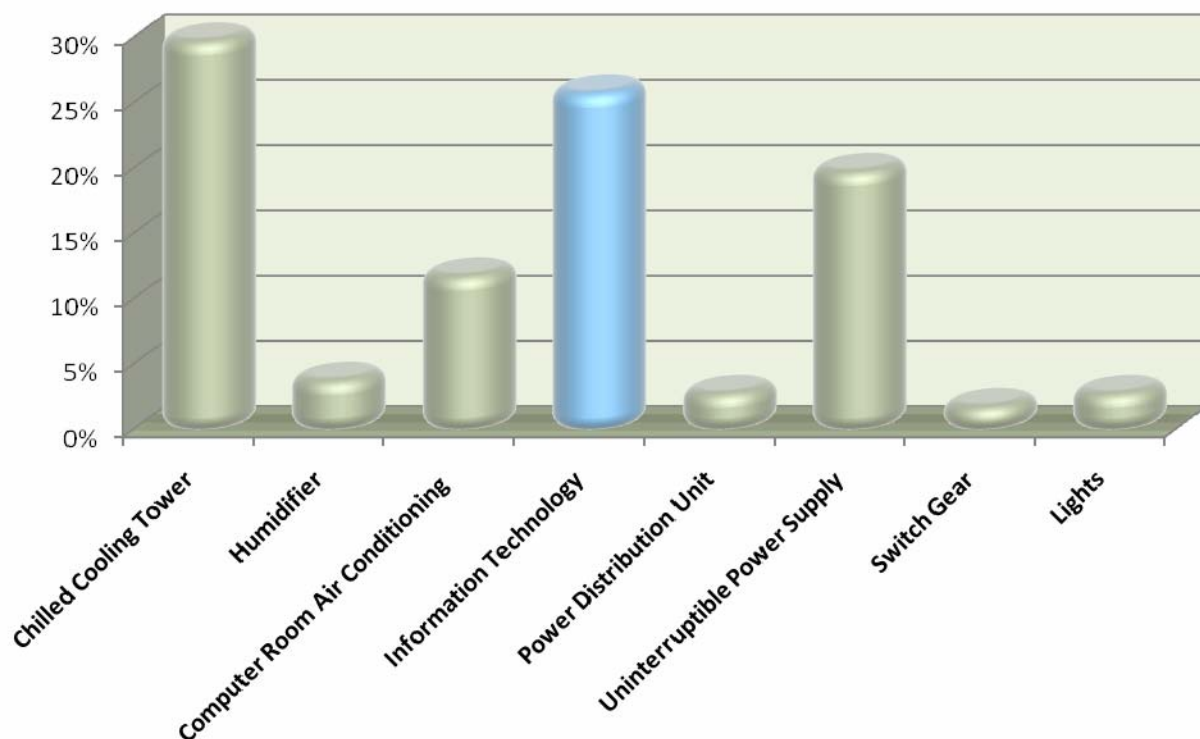
- **Green cleaning products** – DAS is working with Iowa Prison Industries to develop a “green” cleaning products program that will permit DAS to exemplify, model, and emphasize green product usage. Green cleaning products are environmentally friendly and safer for employees who would otherwise use conventional cleaning chemicals.

Incorporating “Green IT” Practices

Green information technology practices encompass the entire product lifecycle from purchasing to operations to disposal of old IT hardware. Due to current and future trends in both the information technology and energy markets, the effective management of information technology in an environmentally conscious way will have a significant impact. According to recognized industry sources:

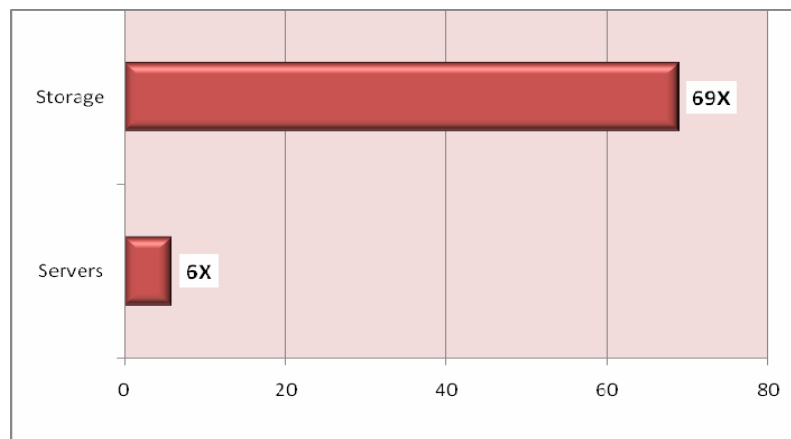
- U.S. commercial electrical costs increased by 10 percent from 2005-06. The trend for escalating energy costs is expected to continue.
- Per square foot, annual data center energy costs are 10 to 30 times more than those of a typical office building. Additionally, data centers have doubled their energy use in the past five years (2002-2007) and only about 25 percent of data center energy use is actually used for the information technology equipment.

Figure 7 – Percentage of Data Center Energy Costs Devoted to Specific Operations



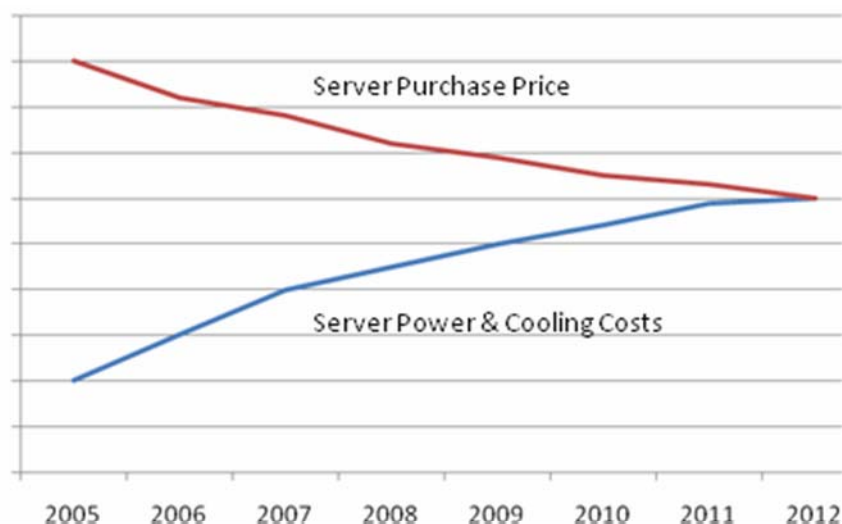
- In the next decade, growth in server shipments will increase by 6 times and storage by 69 times. (See Figure 8 on next page.)

Figure 8 – Growth in Server Shipments Over the Next Ten Years



- The energy costs for servers over their useful lifetime will match acquisition costs by 2012.

Figure 9 – Server Purchase Price vs. Server Energy Costs



Data center growth has slowed somewhat due “server virtualization”. Server virtualization uses a software application to divide one physical server into multiple isolated virtual environments. Each virtual environment then hosts the workload of an individual server, reducing the number of physical servers and the associated electrical and cooling load. Virtualization may offer significant savings. A typical server using only 5-15 percent of its capability consumes 60-90 percent of its peak power. The State of Iowa can realize savings by consolidating servers: a) from distributed locations with inefficient cooling and power systems into a more environmentally friendly centralized data center; and b) through virtualization.

Green IT Action Items:

- Suggest state contracts and RFPs specify software systems be capable of operating in a virtualized server environment whenever practicable.
- Require all state contracts for information technology devices (where available) are EPEAT labeled at gold or silver level.
- For server hosting and data centers outsourced by state agencies require the hosting contracts charge for peak power demand and energy usage.
- Consider implementation of the Server and Data Center consolidation proposal with the mandate that total long term cost of ownership and energy efficiency be highly weighted considerations.
- Consider creating “storage” utilities for digital storage. Hard disk drives and associated array’s are large consumers of power.
- Consider consolidating all data center facilities for the three branches of government.
- Consider consolidating remote field offices technology servers & storage (and virtualizing) where possible.
- When addressing the obsolescence of IT hardware, consider “demanufacturing” (i.e. separation and recycling of components) and remanufacturing (refurbishing older equipment with new components) wherever practicable.

F. Improve data security

Continue to improve data security stored on the state’s IT infrastructure by:

- Continuing encryption efforts.
- Monitoring security patch compliance.

Continue Encryption Efforts

Data stored on portable computers and removable data storage devices are at greater risk than those stored on desktop computers or fixed storage because the devices are intended to be carried from place to place. Portability and small size makes it more likely that data will be lost or stolen. To increase the security of portable data, enterprise-wide operating standards were approved requiring all laptop computers and removable storage devices containing confidential data be encrypted by the end of calendar year 2007.

To enhance efficiency and effectiveness of the encryption efforts, DAS coordinated a collaborative project to test available encryption software products and select a standard product for all agencies to use. Through the efforts of staff from several agencies, several different products were tested and SecureDoc software from WinMagic Corporation was selected. All agencies using the same product allowed much more leverage in the purchase and very favorable contract terms saving the state over \$140,000.

In addition to the use of common software, most agencies have chosen to use DAS services for implementation, management and support of the encryption process eliminating the need for dozens of additional servers and communications devices and saving at least an additional \$30,000 per year.

The SecureDoc product includes the ability to encrypt portable storage devices including USB drives, CDs, portable hard disks and others. Including this capability in the standard product used by all agencies further reduces costs.

Monitor Security Patch Compliance

DAS has processes in place to apply patches and updates needed on all DAS and customer systems. Most patches are applied within two weeks of issue. To the extent possible, the patching process is automated and does not rely on actions by the system user. The effective and timely application of security patches is an important component of data security.

G. Improve I/3

Continue to enhance the reliability and functionality of I/3 by:

- Securing proper funding for I/3.
- Holding regular user group meetings to seek feedback.
- Meeting deadlines.
- Implementing the Human Resource module.

Secure proper funding for I/3

Costs related to I/3 are managed through its' own internal service fund within DAS. The I/3 utility is charged for all services provided by ITE to support its' operation. This includes desktop services, processing, storage, and the printing of warrants. The past, current, and future I/3 implementation and ongoing operational funding are shown in Figures 10 and 11.

Figure 10 – I/3 Implementation Funding

Revenue	Appr. ERP0	Appr. ERP1	Appr. ERP2
FY03	\$4,400,000		
FY04		\$6,131,075	
FY05			\$3,115,116

Figure 11 -- On-Going Operation Funding

Revenue	Appr. ERP3	Pooled Tech	ITE Buy Down	Utility Fees
FY04				
FY05	\$2,934,168			
FY06		\$2,700,000		\$2,256,773
FY07			\$1,511,201	\$2,316,091
FY08				\$4,524,526
FY09				\$4,524,526

In FY08 and FY09, other than the customer council utility allocation, the only ongoing funds will be those available through rollover from the previous fiscal year funding (See Figures 1 & 2 on the next page). From FY07 to FY09 there will be an increase in I/3 costs, but no increases are being passed on to the agencies due to the cash balance on hand. That cash balance will run out in 2010. Estimated I/3 cost for 2010 is \$5.5 million.

Figure 12 -- Revenue Resources for Ongoing I/3 Operations in FY08

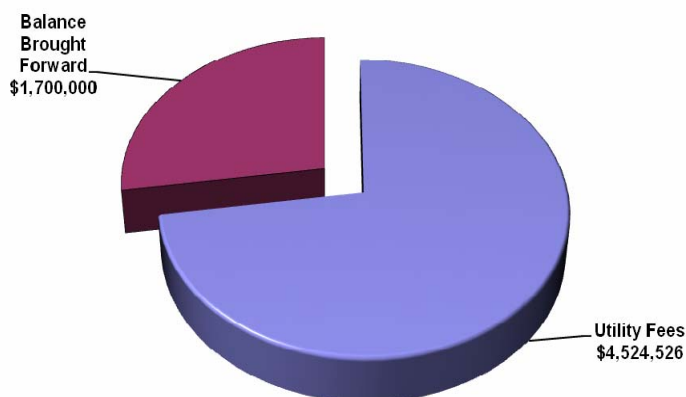
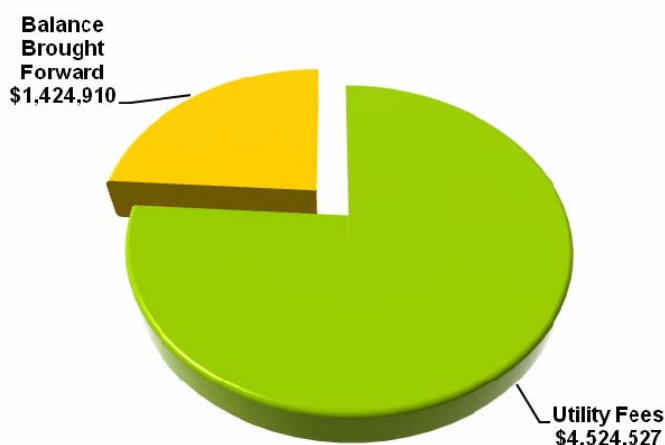


Figure 13 -- Revenue Resources for Ongoing I/3 Operations in FY09

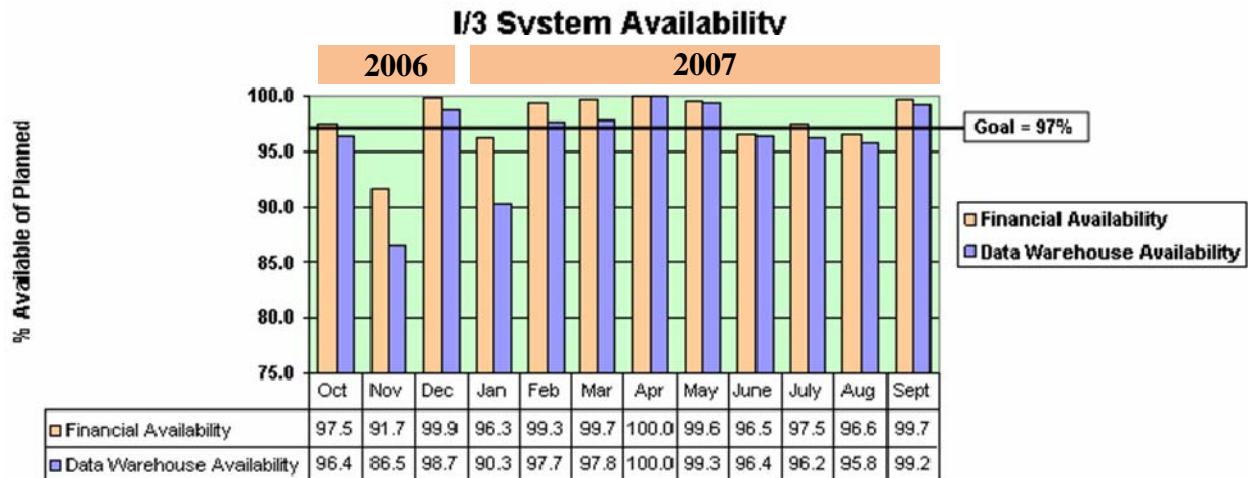


I/3 Customer Feedback

The I/3 technical and administrative staff monitors I/3 operations and receives regular feedback from customers. The I/3 website (<http://intranet.iowa.gov/i3/>) contains links to assist customers, including What's New, Help Desk Contacts, a Training Calendar, Forms, Manuals, Presentations, and other reference material. Another customer-focused feature is "I/3 Made Easy". This PowerPoint presentation contains tips and tricks, shortcuts, and simple explanations for performing some of the more common I/3 tasks. The website also contains a number of links for I/3 application information and application links.

I/3 monitors and tracks system availability for the financial systems and data warehouse.

Figure 14 – I/3 System Availability



The availability issues in November 2006 (indicated in the graph above) were addressed when two tables within I/3 that were adversely affecting performance were rebuilt over Thanksgiving weekend, 2006. The process of data storage and retrieval has been changed to allow for a more efficient storage and retrieval of data. This has resulted in improved nightly processing performance as well as improved online performance for users during the day. The development and documentation of system processes continues to occur, which has enabled I/3 staff to more proactively resolve issues.

Meeting Deadlines

Past experience has provided I/3 with lessons learned about the planning and execution of major enhancements, upgrades, and project implementations. The two major issues facing I/3 currently are an I/3 upgrade and the implementation of the human resource (HR) / payroll system. The statuses are as follows:

I/3 Upgrade - Work is in progress for the next upgrade, which is tentatively scheduled for a Spring 2008 implementation. The upgrade will include implementation of InfoAdvantage to I/3 Financial and the related data warehouse. InfoAdvantage is a report writing tool that extracts data from the financial system and provides a robust and flexible financial reporting environment. InfoAdvantage offers end-user reporting that is based upon "views" of current and historical financial data that is tailored to their needs. In addition, we are currently working on multiple functional improvements and continue to work toward maintaining and improving overall reliability and stability. Offsite disaster recovery capabilities for finance and data warehouse will also be added with this upgrade.

HR/Payroll System - I/3 is the backbone used by the state to account for all the financial activity and processes incurred by state government. The HR/Payroll function is the last planned phase of I/3. The Finance and Budget functions were implemented in 2004. After work initially commenced on the HR/Payroll function, the decision was made to suspend the work to enable the state to achieve greater stability and functionality with the Finance and Budget functions. An agreement was entered into with the vendor (CGI) that would permit the state to restart the project prior to 6/30/2008, at the state's option. The agreement ensures that the state, if it exercises its right to move forward with CGI, would benefit from the license pricing and requirements that were in the original RFP and bid response.

Replacement of the current HRIS system is becoming a critical issue from a technical standpoint. Some portions of the current system were developed in the early '70s. This COBOL programming language is becoming more difficult to maintain and COBOL programmers are becoming scarce in today's workforce market.

Additional positives to be gained from implementing a new system include:

- Better reporting capabilities on newer systems, including data warehouse (Ad hoc reporting, employee information/statistics, applicant flow, EEO statistics, position information and statistics)
- Opportunity for self-service data retrieval for managers and other users not available in our current systems
- Establish integration points between Budget and Finance functions
- A new system may better facilitate combining some of the current multiple systems. Within the state government, there are many HR/Payroll systems. Combining these systems would allow maintenance and support to be accomplished at one location resulting in less staff maintenance time, greater consistency in support, and reporting would be more easily accomplished.
- New systems are more table driven, so changes can be more easily completed.
- A new system would provide the Internal Revenue Service and other federal law changes in maintenance releases, so internal staff would have less work to modify code.
- New system may also allow the HR/Payroll areas to provide more functionality to state agencies.

Two options have been identified for consideration by the state implementing a new HR/Payroll function:

- Option 1 – Restart current project with CGI prior to June 30, 2008.
- Option 2 – Start over: Rebuild requirements for RFP and begin new project.

H. Better contract management

Improve contract management procedures by:

- Establishing new dollar expenditure authorization limits.
- Purchasing contract management software.
- Establishing regular reports to IGOV on trends and contractor activity.

- Enhancing contract management procedures by tightening the review procedures by our chief financial officer and legal counsel.

DAS contract management should not be the burden of any one enterprise but should be the responsibility of the Core since there is both a financial and legal component.

A draft of the *DAS - Procurement & Contracting* proposal has been provided for the CFO to review. The proposal recommends establishing a contract management position within DAS.

The proposal recommends the following:

- Establish standard policies and procedures for procurement and contracting across all of DAS.
- Establishing standard documents for DAS.
- Standardize authorization levels for DAS.
- Eliminate duplicate reviews and approvals.
- Tighten the final review by the CFO and Legal Council.

The proposal recommends purchasing *Contract Management* software. The software will be used to identify when negotiated contract deadlines (deliverables) are coming due. The information will be communicated to the applicable project manager for the contract. This will ensure that deliverables are met before payments are made to vendors and contract penalties applied when applicable. Contract management software will provide DAS the ability to see total contract dollars and timelines for all projects DAS is managing.

In addition, the following recommendations have been made:

1. **Hire support staff** to help with clerical work so that managers can concentrate on the initiatives and outcomes of the project they are managing.
2. **Stay within budget** by monitoring what work is being performed, how it is performed, and when it is being performed.
3. **Use Accountable Government Act requirements to fullest extent possible.**
4. **Establish a contract close-out process** when all services have been performed and products delivered.

I. Save money

Save money for state customers:

- By maximizing the positive impact of purchasing rebates by increasing business with cities, counties, and schools.
- By continuing to internalize “smart buying” concepts. With the help of agencies and on an annual basis, identify and pursue key commodity areas that readily lend themselves to “smart buying” application.
- By increasing competency and capacity of the purchasing unit.

Increase business with cities, counties and schools to increase rebates

- On an ongoing basis, DAS pursues opportunities to market its services to potential customers. In particular, local governmental entities and educational institutions within Iowa are increasingly utilizing state master

contracts for purchasing goods. Many of these purchases generate vendor rebates for DAS that are utilized to reduce purchasing rates charged to state government customers. Since FY06, rate reductions to DAS purchasing customers (state agencies) have been reduced by approximately \$1,050,000. As utilization of these contracts increases, the rebate amount should correspondingly increase and customer rate reductions should continue.

- In 2008, DAS will hold workshops throughout Iowa for cities, counties, and schools. The focus will be on how to buy from State of Iowa contracts. In addition, DAS will be asking vendors on contract to market the State of Iowa contracts to cities, counties and schools. This approach has been successful with two vendors: Office Max and HP. Both significantly increased sales to political subdivisions by successfully marketing the State of Iowa contracts.
- DAS is currently working with the City of Des Moines regarding the purchase of E85 fuel for its police fleet. The police fleet will be gradually replaced with E85 vehicles. Currently, the city purchases E85 from the state for one vehicle. The city prefers to purchase the fuel from the state, since it does not intend to install E85 fuel pumps in close proximity to downtown Des Moines. DAS will charge a small mark-up for the fuel and pass the savings on to its state government customers.

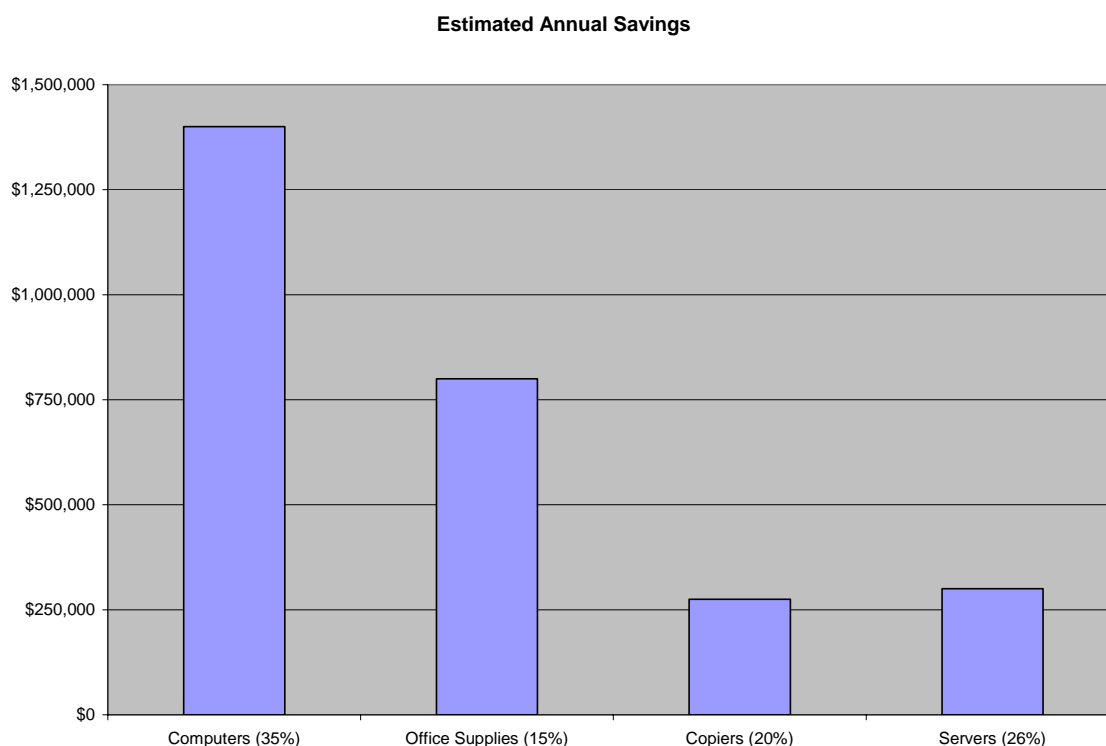
Internalize “smart buying” concepts

- DAS Procurement Services will continue to leverage the state’s consolidated purchasing power to achieve lower prices than ever before. In particular, DAS will focus on goods utilized by multiple state agencies that cumulatively cost in excess of \$3 million annually. A new seven-step sourcing process will be instituted. This process utilizes a thorough analysis of what the state buys, from whom, at what price, and in what volume. DAS will apply innovative procurement techniques so the state can leverage its consolidated purchasing power to take advantage of the best values available in the marketplace.
- To assist the state in implementing innovative purchasing techniques, DAS Procurement Services recently entered into a contract with the state of Minnesota to utilize their reverse auction tool. The reverse auction tool will allow the State of Iowa to drive down prices on certain commodities. The most recent reverse auction conducted by the State of Iowa resulted in a 19 percent reduction in sanitary paper products and an award to an Iowa, women-owned vendor.

Increase competency and capacity of the purchasing unit

- DAS Procurement Services recently hired two new purchasing agents, the first staff increase in ten years. In addition to adding to our staff, DAS Procurement Services has provided training assistance to all current employees and is encouraging current employees to achieve purchasing certification through the National Institute of Government Purchasing.

Figure 15 – Estimated Annual Savings Through State Contracts



J. Improve customer satisfaction

Improve customer satisfaction by:

- Simplifying DAS billing procedures and rates.
- Completing the development of the eDAS billing system.
- Establishing a Customer Advocate position.
- Visiting customers more frequently and holding quarterly focus group meetings.
- Improving cost accounting procedures to verify the rate-setting process.
- Improving record keeping of customers' requests and DAS delivery data.
- Establishing one customer council and a one-stop Customer Service Center.

Simplify DAS billing procedures and rates

- Review the core system and bill format and make changes that reflect the DAS organizational structure. Implement new rates from the Activity Based Management System (ABMS) and pricing model as then become finalized.
- Roll out the ABMS process and pricing model to other enterprises within DAS.

Complete the development of the eDAS billing system:

- Review and streamline the eDAS services, categories, customer accounts & work groups.
- Review reporting issues related to large volumes of data.

Establish a Customer Advocate position

- Customer Advocate should do the one-on-one from an enterprise perspective.

Visit customers more frequently and holding quarterly focus group meetings

- Based on feedback from customer focus groups select items to address from global standpoint (action plan).
- Once action plan is determined use quarterly business managers meeting to facilitate communication and obtain additional feedback.

Improve cost accounting procedures to verify the rate setting process:

- The ABMS project is and will continue to provide auditable documentation for rate setting.
- This will only be applicable for those areas of DAS that go through the ABMS project.

Improve record keeping of customers' requests and DAS delivery data:

- The Employee OnBoarding / SRMS project will benefit billing for services related to specific employees.
- DAS will continue to review processes in order to find ways to improve billings for non- employee related services.

Establish one customer council and a one-stop shop customer service center

- One customer council with standard DAS financial reporting requirements

K. Strategic Planning for the Future

DAS will seek to more comprehensively plan for the future by conducting strategic planning sessions. These sessions will engage our customers in the process, provide a forum to discuss important and emerging issues, and focus on long-term planning. DAS will then prepare annual reports outlining data pertaining to the state of human resources, information technology, and asset management with information from these sessions. The reports will be provided to the Governor's office to aid in their strategic planning process.

VI. Conclusion

The 100-Day Review process was a chance to visit one-on-one with our customers and get valuable feedback about the direction and performance of our agency. What we heard from listening to our customers during these meetings is that they appreciate the entrepreneurial management model and feel there have been significant improvements from the old system. They are concerned, however, about securing adequate funding for their agency to continue supporting the entrepreneurial model.

Our customers also displayed their level of engagement in the process by offering specific ideas as to how DAS can improve. Those suggestions have been taken to heart. In fulfilling our role of being “Government’s Partner in Achieving Results,” it is necessary that we are able to respond to our customers’ needs. We feel we are able to do so, and will be working diligently on the action items laid out in this report.

DAS continues to be guided by the four “service standards” we have established: Be Worthy of Trust; Provide Valued Services; Be Responsive; and Be Efficient. The 100-Day Review gave us the opportunity to put those areas in the spotlight and identify areas for improvement. It has been an enjoyable process for us, and we look forward to continuing to assist agencies and achieve our goal of being a model customer service agency.

Appendices

Appendix A: Listing of all participants in the 100-day meetings and focus groups.

Appendix B: Booklet – “Iowa Department of Administrative Services.” This booklet was distributed to everyone who participated in the 100-day meetings and focus groups.

Appendix C: Booklet – “eDAS.” This booklet was distributed to everyone who participated in the 100-day meetings and the financial focus group.

Appendix A:

100-Day Directors' Meetings and Focus Groups

Directors' Meetings

Date	Agency	Participants
06/29/07	Dept. of Human Services	Dir. Kevin Concannon, Bill Gardam, Tom Huisman, Jan Clausen
07/02/07	Dept. of Public Safety	Dir. Gene Meyer, Dave Heuton, Kevin Frampton
07/10/07	Dept. of Corrections	Dir. John Baldwin, Michael Edwards, Kevin VandeWall
07/10/07	Dept. of Veterans' Affairs	Dir. Patrick Palmersheim, Steve Young, Mari Mielke
07/11/07	Dept. of Revenue	Dir. Mark Schuling, Cindy Morton, Rich Jacobsen
07/12/07	Dept. of Education	Dir. Judy Jeffrey, Gail Sullivan, Roger Stirlor, Steve Wooderson (IVRS)
07/13/07	Dept. of Transportation	Dir. Nancy Richardson, Lee Wilkinson, Kate Murphy
07/16/07	Dept. of Economic Development	Dir. Mike Tramontina, Terry Roberson
07/16/07	Dept. of Elder Affairs	Dir. John McCalley, Joel Wulf, Greg Anliker, Sherry James, Jeanne Yordi
07/16/07	IPERS	Dir. Donna Mueller, Leon Schwartz, Julie Economaki
07/17/07	Dept. of Human Rights	Dir. Walter Reed, Cyndi Chen, Kathryn Baughmann-Reese, Paul Stageberg, Armondo Villareal, Jill Avery, Abraham Funchess, Jr., Lori Schrader-Bachar, Gayle Newlin
07/20/07	Dept. of Cultural Affairs	Dir. Cyndi Pederson, Mary Sundet Jones, Dee Richards, Tom Hardy, Mary Jane Olney
07/24/07	Dept. of Management	Dir. Charlie Krogmeier
07/24/07	Office of Drug Control Policy	Dir. Gary Kendell, Dale Woolery
07/26/07	Iowa Finance Authority	Dir. Bret Mills
07/26/07	Lottery	Dir. Ed Stanek, Ken Brinkman, Brenda Loy
07/27/07	Dept. of Commerce	Dir. Tom Gronstal (Banking), Kay Anderson (Banking), Rebecca Behrens (Credit Union), Judi Cooper (Utilities), Jim Forney (Credit Union), Jim Mumford (Insurance)
07/30/07	Dept. of Natural Resources	Dir. Rich Leopold, Sharon Tahtinen (legislative liaison), Dave Cretors (licensing services), Tricia Buck (customer service)
07/30/07	Dept. of Public Defense	Gen. Ron Dardis, Duane Jamison, Mike Staebler

07/30/07	Dept. of Public Health	Dir. Tom Newton, Mary Jones
07/31/07	Dept. for the Blind	Dir. Allen Harris, Bruce Snethen (CFO), Karen Keninger (library), Curtis Chong (field ops)
08/01/07	Dept. of Inspections & Appeals	Dir. Dean Lerner, Betty Tschetter, Bev Zylstra
08/03/07	Iowa Veterans' Home	Dir. Daniel Steen, Stan Freeborn, Greg Wright
09/17/07	Iowa Workforce Development	Dir. Liz Buck, Joe Walsh, Dan Anderson, LeLoie Dutemple, Jon Nelson, Steve Slater, RJ Hellstern, Martin Frederickson

Focus Groups

Date	Focus Group	Participants
07/09/07	Capitol Complex Maintenance / Facilities	Jody McNaughton, Kristin Macy, Karen Redmond, Travis Knight, Mark Willemssen, Susie Van Gundy, Lisa Taylor, Cindy Morton, Roger Stirler, Lorell Squiers, Ann Clary, Roger Erpelding
07/17/07	Fleet & Mail	Lorell Squiers, DIA; Jody McNaughton, IDPH; Jeanette Wiig, DHS; Barb Chambers
07/18/07	Business Managers	
07/23/07	Purchasing	Jody McNaughton, DPH; Sandra Scheib, Mt. Pleasant Treatment Center; Lisa Oswald, Anamosa State Penitentiary
07/25/07	Financial Managers	Kevin Heinzeroth; Karen Redmond; Kay Anderson; Lori Smith; Roger Stirler; Greg Wright; Marcia Spangler; Cheryl Mather; Jeanette Wiig; Terry Graham
07/31/07	Architectural & Engineering	Lorrie Brodie, Lorrie Tritch, Karalyn Kuhns
08/06/07	Human Resources	Cindy Fardal, Revenue; Marcia Brunson and Jim Cook-Regents; Dennis Mack-IA Vets Home; Terry Roberson-IDED; Bill Snyder-Judicial; Susan Hase and Ron Bruett, DHS; Betty Tschetter, DIA; Leon Schwartz, IPERS; Roger Stirler, Education; Bev Schmeling, IVRS; Kathy Wolk, DOC
08/06/07	Vertical Infrastructure	Stan Freeborn; Eve Palmer; Penny Westfall; Jerome Thompson; Brian Browning; Kristin Macy
08/07/07	Information Technology	Laura Roeder-Grubb; Rick Jacobs; Dale Anthony; Jim Anderson; Rick Hindman; R.J. Hellstern; Rob Buchwald

Appendix B:
Booklet – “Iowa Department of Administrative
Services”



Iowa Department of Administrative Services

Hoover State Office Building
1305 East Walnut Street
Des Moines, Iowa 50319

<http://das.iowa.gov>

handy numbers to have:

Mollie Anderson, Director	515-281-5360
Nancy Berggren, COO, HRE	515-281-3351
Paul Carlson, COO, GSE	515-281-3196
John Gillispie, COO, ITE	515-281-3462
Calvin McKelvogue, COO, SAE	515-281-4877
Lana Morrissey, Chief Financial Officer	515-281-6703

Customer Service Center	515-242-5120
Human Resources Customer Service	515-281-5889
Technology Service Desk	515-281-5703

DAS e-mail addresses follow this format:
firstname.lastname@iowa.gov

Visit our website to find exactly who or what you're looking for:
http://das.iowa.gov/contact_us/



Iowa Department of Administrative Services

**Government's Partner in
Achieving Results**

what's inside

letter from the director	3
what we do	4-5
success and results	6-11
partnering for the future	12-15
handy numbers to have	16

partnering for the future

nancial and data warehouse applications, scheduled for 2008. The upgrade will provide opportunities to improve efficiencies in both online and batch processing as well as the data warehouse. I/3 staff have also launched an intranet site for the 1,300 I/3 users to be able to access manuals, track system status, and sign up for ongoing training classes. This website provides information on all I/3 applications: I/3 Financial, I/3 Budget, I/3 Data Warehouse and the BrassRing employment application system.

Technology — Technology is an integral part of our business and personal lives, affecting virtually everything we do and experience in some form or fashion. It is also constantly evolving. DAS will offer a number of programs to address information security and privacy issues. This includes such things as standardized laptop encryption; annual high level risk analysis for the executive, legislative, and judicial branches and the offices of elected officials; and compliance with the stringent payment card industry standards for maintaining the security of electronic credit and debit card payments. DAS has also taken the lead in Continuity of Operations and Continuity of Government by developing a state-of-the-art business continuity center and updating the security and infrastructure of the state's primary data center on the Capitol Complex.

DAS, in collaboration with a wide range of state and local governmental entities, will be leading the implementation of Service Oriented Architecture (SOA). This will support agency business processes and constituents by making individual government services and resources seamlessly available, regardless of their location or computing environment.



partnering for the future

ment Coordinator has been hired. The Applicant Screening Manual, which received praise from the consultant, was recently updated and a new chapter on recruitment added. "From Interview to Hire," a training course for state managers and supervisors was overhauled this past year, and plans are underway to expand training offerings pertaining to the State's hiring process. DAS stands ready to implement other recommendations resulting from this work group and the CPS report, and to help guide state agencies in making state government a more diverse environment.

Infrastructure projects – The Capitol Complex is currently at full capacity, with no vacant space or ability to handle additional agency growth. In fact, a number of spaces off the Complex are currently leased to house state operations. Two new state office buildings are in the works, however, which will both move some employees and agencies back to the Capitol Complex (saving significant amounts of money spent on leasing), plus replace the Wallace Building, which has been determined to be too cost-ineffective to renovate. Between FY2006 and FY2009, DAS and state agencies will receive approximately \$200 million in new infrastructure funding. This includes authorization to construct the two new state office buildings and a new parking ramp on the Capitol Complex, as well as various improvements for agencies and existing institutions throughout the state.

I/3 – The I/3 Financial system was implemented in 2004 to provide one central processing system for state government documents, payment information, etc. The switch to I/3 (which stands for "Integrated Information for Iowa") hasn't been our most popular change, but agencies are telling us they're starting to really see the benefits of this system. With the planned upgrades and improvements in the works, we believe the system will continue to improve and be of value to departments. I/3 staff are working to prepare for the software enhancements and an upgrade to the fi-

in the beginning ...

June 2007

It's been an adventure since the beginning.

The idea for DAS — one department for all of the State's administrative needs — began when state executives took a hard look at how government was organized, and then started having discussions about how we *could* be organized.

DAS was officially established as of July 1, 2003. Since then we've worked hard to streamline processes, create efficiencies within state government and save money, all while providing better customer service.



Now this experiment is almost four years old, and it's time to look at where we've been and where we're going.

DAS will continue to strive to be the best partner for government in achieving results. Thank you for being with us for the journey.

A handwritten signature in dark ink, appearing to read "Mollie K. Anderson". The signature is fluid and cursive.

Mollie K. Anderson
Director
Iowa Department of
Administrative Services

what we do

The Department of Administrative Services is comprised of four divisions — or “enterprises” — that serve our various business areas, and a “Core” team that provides shared services for the department.

The **Human Resources Enterprise** is comprised of three bureaus: Employment, Benefits and Risk Management, and Program Delivery Services. DAS-HRE provides the full range of human resource services to Iowa state government, including: classification, compensation, qualification of applicants for state jobs, selection assistance, Affirmative Action (Equal Employment Opportunity/ Diversity Program), workforce planning, performance evaluation; workforce data gathering, reporting, and analysis; labor relations, benefits, risk management and leave administration; workers’ compensation; wellness, training and development, organizational development, employee recognition and consultation with and advice to state agencies on human resource matters. The Chief Operating Officer is Nancy Berggren.

The **Information Technology Enterprise** was established with the responsibility for three distinct roles – the Office of the Chief Information Officer (CIO), supporting information technology administrative and infrastructure services, and providing information technology services to state agencies and other governmental entities. DAS-ITE prescribes and adopts information technology standards and rules in cooperation with the Technology Governance Board; provides technical support for the Integrated Information for Iowa (I/3) system; provides a common electronic information directory service and Capitol Complex and statewide data networking; and provides information security services, desktop and laptop workstations, information technology help desk, server hosting, mainframe services, e-mail, mainframe application development



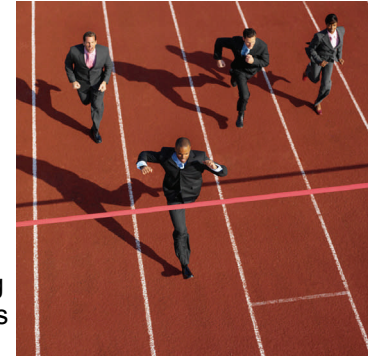
partnering for the future

statewide labor force rate. (Please see “Hiring Practices” below for a more detailed look at how the State wants to increase diversity.)

In anticipation of these workforce changes, HRE has developed a workforce planning program consisting of several website resources available at http://das.hre.iowa.gov/wp_home.html. These include a state workforce plan, a workforce planning guide that includes a workforce plan template for individual state agencies, a succession planning guide, a competency guide and competency library, and knowledge transfer tools.

Retention is a key factor in meeting the challenge of baby boomer retirements. Turnover and the resultant recruitment, hiring and development processes are major investments. A five-year average reported for Fiscal Year 2006 showed that over 48% of employees who voluntarily left the Executive Branch were with the State for less than three years. DAS-HRE is researching the root causes of this phenomenon in order to reverse this trend.

Hiring Practices – The Hiring Practices Work Group was established by former Governor Vilsack to examine the job application and hiring processes in state government, especially as it pertains to minorities and promoting diversity. The consultant hired by the work group, CPS, has recommended policy and program changes in the areas of recruitment, screening and selection, promotion, and employee retention and turnover. In response to this report, it is likely that the work group will recommend the State modify several of its current hiring practices and adopt these recommendations. Fortunately, DAS anticipated some of these changes and has begun planning how best to incorporate them into the existing hiring system. A new Recruit-



partnering for the future

For being four years into this 'experiment,' we feel like we've come a long way. Of course, we couldn't have done this without you and we hope you're proud of the strides DAS and state government have taken in the last couple of years. We haven't been spending all of our time looking backwards and patting ourselves on the back, however. Far from it, in fact – we are excited about finding out what more we can do for you and state government as a whole. How else can we streamline, create efficiencies, save money, provide better customer service? No, really – we're asking you! Please let us know what we could be doing more of to meet your needs and exceed your expectations.

In this section we wanted to take a look at a couple of things that we know are on the horizon and what we're doing to be ready for them. "Partnering" is a big theme for us, and we want you to know we're not just thinking about the "now" – we're planning on being here for you for quite awhile.



The Changing State Workforce – It is likely that several converging forces will dramatically affect the composition of the State's workforce in the next few years. 60% of the workforce generally, and more than 75% of supervisors, are over 45 years of age. Baby boomer retirements will provide new staffing challenges but also new organizational redesign opportunities. An aging workforce may require modifications to work practices and job design. In addition, increasing diversity in our state's workforce means the State needs to keep on top of this trend. Minorities currently make up 5.2% of the State's workforce, while their representation in the statewide labor force is now 6.0%. The representation of persons with disabilities in the State's workforce is 6.6%, which is less than the 11.8%

what we do

and support, database services, web application services, and information privacy and records consultation. The Chief Operating Officer is John Gillispie.

The services and resources of the **State Accounting Enterprise** revolve around both the collection and reporting of financial information and the processing of financial transactions. There are five work units within DAS-SAE: Daily Processing, Central Payroll, I/3 Functional, Income Offsets, and GAAP/Accounting. Specifically, State Accounting can: provide statistical and financial data; provide documentation and guidance on State/Federal rules and regulations; help establish internal controls as they relate to staff and functions performed; and provide training/mentoring to department staff on accounting processes/procedures. The Chief Operating Officer is Calvin McKelvogue.

The **General Services Enterprise** is comprised of the following service areas: Architectural and Engineering, Capitol Complex Maintenance, Fleet and Mail, Lease and Space Management, Procurement Services, and the Employee Safety Program. General Services maintains all Capitol Complex buildings, grounds and monuments and manages the operation of the state fleet of vehicles, provides mail services to state agencies, statewide architectural and engineering project management services for construction projects, and manages the procurement function for most executive branch agencies. The Chief Operating Officer is Paul Carlson.

DAS **Core** includes the director's office, DAS finance staff, marketing and communications, legal counsel, and our legislative liaison. Collectively they are known as "shared services" within DAS – services that were consolidated at the formation of DAS to eliminate duplication within the department.

success and results

Here's where we get to brag a bit — and hopefully introduce you to a product or service you didn't know we provided but would benefit your agency. Now, we're not going to try and tell you it's been perfectly smooth sailing since day one. As with any undertaking of this magnitude (reorganizing state government?? Come on — that's huge!), we have had our challenges to overcome and plenty of "learning" moments. However, we also have a long list of things we're really proud of — things that have changed government, created efficiencies, and saved money. Here we highlight a few:



⇒ Once upon a time state agencies received as many as 40 different bills from the various work areas now encompassed within DAS. Forty. They were mostly in paper form, delivered at all different times during the year — it was a disaster, not to mention a real pain for the agencies trying to keep their books and pay their bills. So we created



eDAS — a web-based billing system that sends out ONE invoice, once a month, for all of the services provided by DAS. One. This one bill, however, has several different layers for agencies to view so they can see exactly what they're paying for, and that has allowed them to identify redundant or unnecessary services, thereby saving money. And time. And headaches. (We like to do what we can.)

success and results (continued)

program was implemented by DAS to assist government entities in collecting money owed them. Here's how it works: say Business X provided a service and is owed \$1,000.00 for their work, but it turns out they're also a little behind on their taxes and owe the state



\$990.00, which has been entered into the income offset system. DAS' accounting staff matches income offset claims against pending payments, so in this case they'd see that a check for \$1,000 is supposed to be cut for Business X, but it turns out they owe the State \$990, so really they're only going to get a check for \$10 (and their delinquent taxes will now be paid). Pretty slick, huh? Over the past 3 years, DAS-SAE has collected **claims totaling over \$52 million** for back child support, delinquent taxes, student loans, judicial restitution, human service overpayments, and miscellaneous other debt. Income Offset is currently working on outreach efforts to expand services to city and local governments. Anticipated future revenues could reach \$18 million for FY 2008 alone.

⇒ As a result of renovating and improving space at the Capitol Complex, four agencies were able to relocate from leased space back to the Capitol Complex, which netted for the State a **lease-cost avoidance** of approximately \$3.3 million. Renegotiation of several other 3-, 5- and 10-year leases resulted in savings of over \$2 million. (There's that cost avoidance thing again!)



success and results (continued)

ers Online Teacher License Renewal Application; Department of Natural Resources – Online State Park Campground and Cabin Reservation System; Department of Commerce – Professional Licensing; State Auditor's Office Audit Reports Online; Office of the Governor – Administrative Rules Terminal (ART). The bottom line? Putting these services online makes government more accessible for a lot of citizens.

⇒ The State doesn't just give money away, of course. Sometimes we owe people — like employees, for example, or vendors who have provided a product or service. Generally



people like to be paid for their work, and that's where DAS State Accounting comes in with the more than **7.2 million warrants** (read: "checks") issued yearly. Now, we don't just hand out checks to whoever wants one — this is taxpayer money and

there's a lot of tracking, processing and accounting that's behind every transaction. Since we're talking accounting and those folks like numbers, let's go this way: Central Payroll (within DAS-SAE) provides training, assistance and guidance to over 60 departments in the processing, accounting and reporting of payroll, and manages, processes and reports the biweekly payroll for over 20,000 employees. Over 14,000 of those employees are utilizing a confidential, online warrant reporting system so they don't even bother with paper check stubs any more. The total annual payroll for calendar year 2006 was \$1.28 billion, which includes \$977 million in gross wages paid to employees and \$306 million in state-provided benefits.

⇒ Sometimes the State owes people money (see above — we're all over it), but sometimes people owe the state (or a state agency) money. And sometimes that money doesn't always get paid like it should. The **Income Offset**

success and results

⇒ **Online solutions** have proved beneficial not only for state agencies, but also for individual employees — and those who *want* to be state employees.

IowaBenefits is a web-based benefits enrollment system for employees enrolled in or who want to enroll in any Wellmark health care plan, as well as state dental plan participants. Plans are underway to expand the system to those enrolled in United Health Care so all state employees can enjoy the benefits of managing their health care benefits online. Users can make numerous changes to their plan by a click of their finger while eliminating the need for paper forms for most changes. It also lets the user print a visualized summary of their health and dental elections.

based benefits enrollment system for employees enrolled in or who want to enroll in any Wellmark health care plan, as well as state dental plan participants. Plans are underway to expand the system to those enrolled in United Health Care so all state employees can enjoy the benefits of managing their health care benefits online. Users can make numerous changes to their plan by a click of their finger while eliminating the need for paper forms for most changes. It also lets the user print a visualized summary of their health and dental elections.



BrassRing is a widely used online employment system DAS implemented for Iowa in fiscal year 2007. For job seekers this means being able to track jobs they've applied for online, upload up to five copies of their resume and cover letters, and complete and submit application forms — without paper and postage. For the agencies who are hiring this means you now have one system for the posting and referral process, an easy method to correspond with applicants, quicker access to applicant information and an easier method for forwarding applicant information to hiring supervisors. And although web-based, the system still accommodates applicants who choose to submit their materials in person, by fax or through the U.S. Mail — but we've found that about 80% of applicants are now selecting the online route. (So we're pretty darn pleased it's now available to them.)

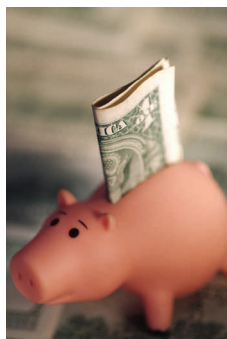
⇒ Performance and Development Solutions, DAS's training and development unit, has streamlined its operations to

success and results (continued)

meet their strategic goal of improved employee and leadership development. PDS has focused on enhancing training course offerings to meet the current and growing needs of the state workforce and promoting the opportunity for state employees to create high performing workplaces. To meet those needs, PDS has added over twenty new workshops and revised a variety of other workshops resulting in a 34% participation increase in the last two years. PDS has also increased its training offerings outside the Des Moines area so more state employees have greater access to training opportunities. Additionally, PDS expanded its services to include a variety of organizational development services, including facilitation of and assistance with strategic planning, scorecard development, employee engagement, workflow review, and organizational analysis, all of which are aimed at helping state agencies streamline operations, increase their own efficiency, and enhance programs.

⇒ **“Cost avoidance”** is one of those stuffy terms that’s easy to gloss over, but think about it — if you don’t have to pay for something you thought you were going to have to spend money on, or if you pay less for it, that’s really good, right? What if you ‘avoided’ spending a LOT of money? Between 2004 and 2007 DAS helped the State avoid approximately \$39 million in health insurance premium costs and another ~\$2.4 million in dental insurance premium costs, when compared to the budgeted rates for those years. We’re also going to save a bunch of money — an estimated \$4.2 million — through a new six-year workers’ compensation agreement. What do you think the State can do with that extra \$45.6 million?

The value of ‘cost avoidance’ will also be seen directly



success and results (continued)

on the agency level. In fiscal year 2007 each state department will see a **38% reduction** (or cost avoidance) in what they pay for procurement services – DAS’ purchasing unit. This is due largely to the rebates received from vendors for the volume of sales, generated primarily by sales to local governments. DAS has also **negotiated and re-negotiated contracts to bring down prices** significantly on a number of high-dollar, high-usage contracts, including: office supplies, computers, computer software, copiers, lumber, paint products, sanitary paper products, industrial supplies and equipment, and building automation products. And in September 2006, DAS Procurement Services conducted the first “Reverse Auction” for the State for paper products (paper towels, toilet paper, napkins, facial tissue, etc.). The preliminary savings analysis showed that on a \$700,000 spend, the State achieved \$130,000 in savings, or 19%. Thirty-eight percent ... nineteen percent – it all adds up! Savings realized through procurement = savings for state government agencies, who can then deliver more services to Iowans without increasing taxes or appropriations.

⇒ So it’s good to avoid costs and save money, but it can also be a good thing to **give money away** — to worthy projects, of course — projects that make life a little easier, a little safer, or just a little better for citizens and business. Under DAS, **IOWAccess** has provided \$2.3 million in funding for completed projects and has another \$2.1 million in projects currently in process. Some of the more notable IOWAccess projects include: National Sex Offender Public Registry; Department of Inspections and Appeals Food Establishment Inspections Online; Department of Education – Board of Educational Examin-



Appendix C:

eDAS Booklet – “CRM/Billing Process”



Iowa Department of Administrative Services

Hoover State Office Building
1305 East Walnut Street
Des Moines, Iowa 50319

<http://das.iowa.gov>

CRM/Billing System

Visit eDAS at <https://edas.iowa.gov>.

DAS Executive Contacts

Mollie Anderson, Director.....	515-281-5360
Nancy Berggren, COO, HRE	515-281-3351
Paul Carlson, COO, GSE.....	515-281-3196
John Gillispie, COO, ITE.....	515-281-3462
Calvin McKelvogue, COO, SAE.....	515-281-4877
Lana Morrissey, Chief Financial Officer	515-281-6703

DAS Customer Service Contacts

Customer Service Center	515-242-5120
Human Resources Customer Service	515-281-5889
Technology Service Desk	515-281-5703



Iowa Department of Administrative Services

CRM/Billing Process

What's Inside...

Costing

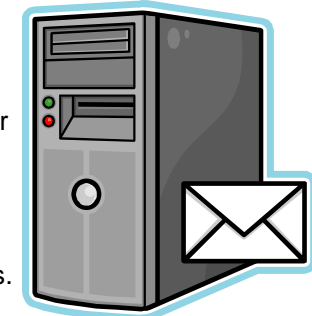
Our Goal.....	3
Services Catalog	4
Order Intake	5
Billing System.....	6-7
Consumption Details	8
Accounts Receivable	9
Trouble Ticket	10
Time Tracking	10
Costing	11
Contact Information	12

DAS provides a wide range of utility and marketplace services. State agencies are required to purchase utility services from DAS. Rates for utility services are approved by customer councils.



For marketplace services, agencies can purchase the service from any vendor inside or outside state government. DAS sets the rates for marketplace services by analyzing the direct and indirect costs needed to provide the service.

In 2007 the Information Technology Enterprise initiated an activity based costing project which will analyze both the direct and indirect costs to deliver ITE services. This information will be used to establish accurate rates for IT marketplace services. It will also eliminate inefficiencies and redundancies.



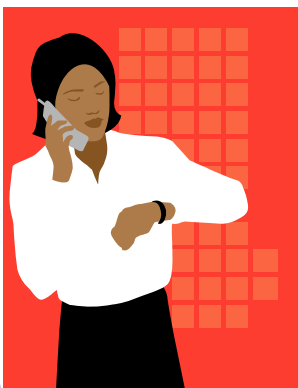
There are a number of direct and indirect costs associated with providing a service. The direct costs are fairly apparent, but indirect costs can be more obscure and difficult to calculate. For example, consider the cost to provide a Microsoft Exchange Mailbox for a customer. Direct costs would include hardware to run the application, software licenses, and staff time to setup and maintain the system. Indirect costs would include a room to house the equipment and the supervisor's time to manage the staff.

Trouble Ticket

The DAS Customer Service Center and the Information Technology Service Desk enter all trouble tickets in a system called Service Desk. This system allows the person who creates the work order to give it a deadline for completion. The Service Desk notifies the customer by email whenever the status of the work order is updated. When the job is completed, a final email is sent to the customer, stating the problem and how it was resolved.



Time Tracking



Service providers and executives can view eDAS reports which show the average time to deliver a service and the number of cancelled requests.

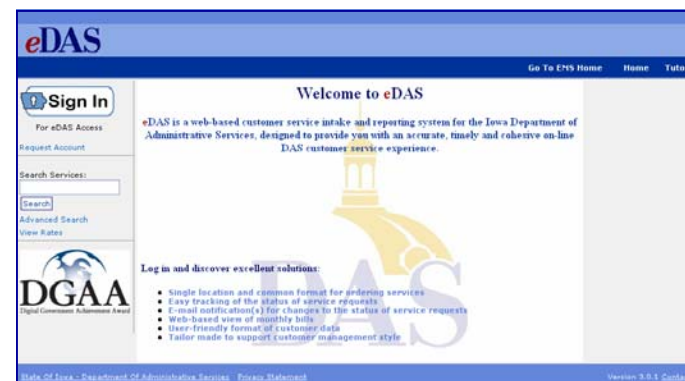
Staff time is a major component in the cost to provide a service. DAS is currently in the process of analyzing workflow processes to further expand our time-tracking tools. Our goal is to be more efficient. The end

result for the customer will be faster service delivery.

Our Goal



The Department of Administrative Services strives to be a world-class organization that is customer-focused, innovative and efficient. DAS goals are to improve service to our customers, save money, streamline processes and enhance resource flexibility.



Effective Customer Relationship Management (CRM) and a reliable, secure billing system (eDAS) are essential to achieving the DAS goals. There are eight components to our CRM/Billing process. They include a services catalog that lists all DAS services and their rates; an easy-to-use order intake system; a billing system that provides a monthly invoice that is available from any web browser; consumption details that help customers manage their budgets; accounts receivable reports that allow us to track payments; a trouble ticket system that updates customers as work is completed; time tracking tools which record the time to deliver a service; and a costing process to evaluate direct and indirect costs so we can offer competitive rates.

Services Catalog

DAS offers a wide variety of services to our customers — everything from electrical service to an Exchange mailbox to human resource training. The general public can view information about DAS services by performing a simple search or by using the advanced search tool.

“View Rates” is a quick way to find rate information for DAS services. This displays the service ID, service name, rate, billing unit, category and the accountable enterprise for each DAS service offering.

View Rates by Enterprise

Select Enterprise: ALL

* - Service price varies based on actual service.

Printable Version

Service	Service Name	Rate	Unit	Category	Enterprise
757	Crypto card secure token, each onetime	\$74.63	Each	Network Services	Information Technology
758	SING with DCI check	\$2.00	Event	Enterprise Applications	Information Technology
759	SING without DCI check	\$1.75	Event	Enterprise Applications	Information Technology
760	Business Objects (Reselling)	\$9.75	Timeandmat	Enterprise Applications	Information Technology
763	Standard Exchange Mailbox	\$9.76	Account	Email Services	Information Technology
764	Iowa Mail	\$3.80	Account	Email Services	Information Technology
767	Directory Services	\$0.783	Employee	Common Directory	Information Technology
768	Enterprise LAN Support	\$32.51	Account	Email Services	Information Technology
800	dial in dial back long distance charges	\$0.07	Minute	Network Services	Information Technology
805	Active directory; directory synchronization	\$0.00	Estimated	Email Services	Information Technology
840	Laptop PC rental; per day	\$10.00	Unit/Day	Desktop Services	Information Technology
855	VPN LAN to LAN 5 or fewer users	\$78.89	Office	Other Server-Based Services	Information Technology

Service Detail

Service :

763

Service Name:

Standard Exchange Mailbox

Unit:

Account

Price:

\$9.76

Category:

Email Services

Description:

Standard Exchange Mailbox

Short Description:

Exchange mailbox with up to 50 megabytes of disk storage for your e-mail files. Includes nightly backups for e-mail files kept on networked storage.

Service Contact:

Kevin.Miller@iowa.gov

Login To Order

Cancel

Accounts Receivable

The Accounts Receivable module allows DAS to track over-payments, underpayments and past due accounts.

eDAS

You are logged in as mike.pringle@iowa.gov / DAS Unassigned Mainframe Accounts * (

Logout

Shopping

Past Orders

Top 10 Service

Search Service

Search

Advanced Sea

View Rates

Links

Modify Homepa

Transfer Accou

Maintain Temp

View Engines

System Admin

Transaction Su

Maintain Custo

Maintain Serv

Maintain Consu

Receivables

Tools

View Requests

View Bill

Receivables

Purchases

Payments

Record a Payment

Record Payments for I/3 Auto Transfers

Close a Fiscal Year

Reports

Create Write-Off or Roll-Forward Report

Generate Overdue Payments Report for a Customer

Generate Overdue Payments Report for Customer Types

Generate Overdue Payments Report - Days Outstanding

This module provides DAS Finance with information for the GAAP report. It also supports service providers.

Consumption Details

All consumption data is stored in eDAS, so we can provide our customers one invoice that is available any time through a web browser.

The invoice provides a number of consumption reports that can be downloaded. Customers can use this data to track expenditures and accounting information.

Available reports include the Account Summary, CICS (mainframe applications), DASD (mainframe storage), FLEET, JOBS (jobs run on the mainframe), and one for Office Supply.

Special Reports		
Account Summary	View Description	Generate Report
CICS	View Description	Generate Report
DASD	View Description	Generate Report
FLEET	View Description	Generate Report
IDMS	View Description	Generate Report
JOBS	View Description	Generate Report
Service Rate Change Logs	View Description	Generate Report
Office Supply	View Description	Generate Report

Many customers download the "Account Summary" monthly, because it allows them to track service costs and to budget for future expenditures.

Order Intake

Many DAS services can be ordered directly online. For those that can't be ordered through eDAS, the system provides an email link to the service contact.

Ordering services through eDAS is similar to shopping on the web. Just identify the item, add it to your shopping cart, complete the order form and check out.

Service Detail

Service :	763
Service Name:	Standard Exchange Mailbox
Unit:	Account
Price:	\$9.76
Category:	Email Services
Description:	Standard Exchange Mailbox
Short Description:	
Exchange mailbox with up to 50 megabytes of disk storage for your e-mail files. Includes nightly backups for e-mail files kept on networked storage.	
Service Contact:	Kevin.Miller@iowa.gov
Add To Cart	Cancel

When an order is submitted, eDAS sends out two emails — one to the customer to confirm the order and the other to notify the service provider of the request.

From: eDas@iowa.gov	Sent: Tue 6/5/2007 1:46 PM
To: DAS Customer	
Cc:	
Subject: eDAS notification of requested service	

The following service status has been changed to : Service Requested
Service Request Number: 2764170
Service ID: 0763
Service Name: Standard Exchange Mailbox
Quantity: 14
Cost: \$136.64
Customer: 1

eDAS sends an email to the customer each time the service provider updates the service status. Our goal is to keep the customer informed throughout the process.

Billing System

A powerful aspect of eDAS is the billing system. It consolidates data from over forty sources to produce one online invoice. The highlight of the bill is the drill-down capability. There are links on each page which display more detail about the selected area.

Level 1— Enterprise Summary

The first level is a summary of charges by enterprise.

Description	Amount Due	Credit/Discount	Total Amount Due
Information Technology	\$14936.52	\$0.00	\$14936.52
General Services	\$10573.59	-\$98.90	\$10474.69
Human Resource	\$1069.80	\$0.00	\$1069.80
State Accounting	\$601.08	\$0.00	\$601.08
Total Billable This Invoice			\$27180.99
Credits/Discounts This Invoice			-\$98.90
Total Due This Invoice			\$27082.09

Level 2 — Category Summary

The second level summarizes an enterprise's charges by category.

Category	Amount Due	Credit/Discount	Total Amount Due
Common Directory	\$44.63	\$0.00	\$44.63
Desktop Services	\$2754.90	\$0.00	\$2754.90
Email Services	\$1919.02	\$0.00	\$1919.02
Enterprise Applications	\$1491.75	\$0.00	\$1491.75
Service Desk	\$12.54	\$0.00	\$12.54
Mainframe Access	\$22.82	\$0.00	\$22.82
Mainframe Printing	\$0.00	\$0.00	\$0.00
Mainframe Processing	\$52.22	\$0.00	\$52.22
Network Services	\$2450.95	\$0.00	\$2450.95
Other Server-Based Services	\$151.20	\$0.00	\$151.20
Printing Services	\$3532.23	\$0.00	\$3532.23
Storage Solutions	\$1898.73	\$0.00	\$1898.73
Web Application Server Hosting	\$500.77	\$0.00	\$500.77
Wireless Solutions	\$54.36	\$0.00	\$54.36
Information Security	\$50.40	\$0.00	\$50.40
Total Billable This Invoice			\$14936.52
Credits/Discounts This Invoice			\$0.00
Total Due This Invoice			\$14936.52

Billing System

Level 3 — Service Summary

The third level summarizes each category by service.

Service Code	Description	Quantity	Amount Due	Credits	Total Amount Due
0763	Standard Exchange Mailbox	14.00	\$136.64	\$0.00	\$136.64
0768	Enterprise LAN Support	52.00	\$1690.52	\$0.00	\$1690.52
4001	Lyrus List Server list usage	15014.00	\$75.07	\$0.00	\$75.07
4002	Lyrus List Server Email Distribution per member fee	5598.00	\$16.79	\$0.00	\$16.79
Total Billable This Invoice					\$1919.02
Credits/Discounts This Invoice					\$0.00
Total Due This Invoice					\$1919.02

Level 4 — Service Request Detail

The fourth level shows the individual service requests for a specific service.

Service Request Number	Account	Details	Quantity	Rate	Total Amount Due
20237	379D	Display Name: Jones, Barb Mailbox Size (in bytes): 0	1.00	\$9.76	\$9.76
20237	379W	Display Name: Bergmeier, Mark Mailbox Size (in bytes): 0	1.00	\$9.76	\$9.76
20237	379W	Display Name: Howe, Gwen Mailbox Size (in bytes): 0	1.00	\$9.76	\$9.76
20237	379B	Display Name: Pieper, Greg Mailbox Size (in bytes): 0	1.00	\$9.76	\$9.76
20237	379W	Display Name: Speed, Mike Mailbox Size (in bytes): 0	1.00	\$9.76	\$9.76
20237	379F	Display Name: Esquivel, Meliss. Mailbox Size (in bytes): 0	1.00	\$9.76	\$9.76

Level 5 — I/3 Account

The fifth level displays the I/3 account to pay for the selected service request.

Service Name	Account	I/3 Account Code	Percentage	Total Amount
Standard Exchange Mailbox	379D	0001 - 379 - 4000 - D1 - 2501	100.000000%	\$9.76